

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-1**

**Curriculum Vitae**

# **Warren R. Fischer, C.P.A.**

**Chief Financial Officer  
QSI Consulting, Inc.**

2500 Cherry Creek Drive South  
Suite 319  
Denver, Colorado, 80209-3279  
(303) 722-2684 voice  
(303) 883-9014 mobile  
(303) 733-3016 facsimile  
[WFischer@QSIconsulting.com](mailto:WFischer@QSIconsulting.com)

## **Biography**

Mr. Fischer is a QSI partner and currently serves as Chief Financial Officer in QSI's Telecommunications Division. Mr. Fischer has over 13 years of experience in the telecommunications industry and joined QSI after five years of service within AT&T's Local Service & Access Management and Wireless Services divisions. During his telecommunications career, Mr. Fischer has focused his attention largely on TELRIC pricing, local market entry, Section 271 compliance, access and universal service reform issues, billing disputes, and damages assessment.

Mr. Fischer is an experienced and effective expert witness who has provided expert testimony in over 30 proceedings before 18 state utility commissions and other administrative agencies. Mr. Fischer is an active Certified Public Accountant who is licensed in the States of Colorado and California. Mr. Fischer's professional experience as a C.P.A. includes two years in public practice with Deloitte and Touche LLP and over 20 years of managing financial analysis, reporting and forecasting processes for various multi-national corporations.

## **Educational Background**

**Bachelor of Science, Business Administration (emphasis in Accounting)**  
University of Colorado at Boulder, Boulder, Colorado

1984



## Professional Experience

### **QSI Consulting, Inc.**

2000 - Current

Chief Financial Officer

### **AT&T Corp.**

1997 - 2000

Financial Manager

1996 - 1997

Supervisor

Network Services Division

### **AT&T Wireless Services**

1995 - 1996

Marketing Analyst / Planner

Cellular Division

### **E. & J. Gallo Winery**

1994 - 1995

Senior Financial Analyst

1991 - 1994

Operations Accountant

### **Century 21 Real Estate Corporation**

1987 - 1991

Financial Analyst

### **Deloitte & Touche LLP**

1985 - 1987

Audit-in-Charge

## Expert Testimony – Profile

*The information below is Mr. Fischer's best effort to identify all proceedings wherein he has either provided pre-filed written testimony, an expert report or provided live testimony.*

### **Before the Federal Communications Commission**

#### **File Nos. EB-01-MD-001 and EB-01-MD-002**

*In the matter of the formal complaints of AT&T corp. and Sprint Communications Company L.P., vs. Business Telecom, Inc.*

On behalf of Business Telecom, Inc.

Affidavit

February 23, 2001

### **Before the Public Utilities Commission of the State of Colorado**

#### **Docket No. 99A-161T**

*In the matter of the application of U S WEST Communications, Inc., to reduce business basic exchange and long-distance revenues upon receipt of the Colorado high-cost support mechanism in accordance with Decision No. C 99-222*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

August 6, 1999

### **Before the Public Utilities Commission of the State of Colorado**

#### **Docket No. 98A-068T**

*In the matter of the application of U S WEST Communications, Inc., to restructure and reduce switched access rates pursuant to the stipulation in Docket No. 97A-540T*

On behalf of AT&T Communications of the Mountain States, Inc.

Amended Direct

May 17, 1999

Supplemental

June 9, 1999

**In The United States District Court for The Middle District Of Florida, Jacksonville Division**  
**Civil Action No. 3:07-CV-598-J-32MCR**

*James D. Hinson Electrical Contracting Co., Inc., Individually and On Behalf Of All Others Similarly Situated, Plaintiff, v. BellSouth Telecommunications, Inc., Defendant*

On behalf of Plaintiff

Declaration

Expert Report

September 18, 2007

August 1, 2008

**Before the Public Service Commission of Florida**

**Docket No. 041464-TP**

*Petition of Sprint-Florida, Inc. for Arbitration of an Interconnection Agreement with Florida Digital Network, Inc. Pursuant to Section 252 of the Telecommunications Act of 1996*

On Behalf of Florida Digital Network, Inc. D/B/A FDN Communications

Direct

May 27, 2005

**Before the Public Service Commission of Florida**

**Docket No. 990649B-TP**

*In re: investigation into pricing of unbundled network elements*

On Behalf of AT&T Communications of the Southern States, Inc., MCImetro Access Transmission Services, LLC & MCI WorldCom Communications, Inc., and Florida Digital Network, Inc. (collectively called the "ALEC Coalition")

Rebuttal

January 30, 2002

**Before the Illinois Commerce Commission**

**Docket No. 02-0864**

*Illinois Bell Telephone Company: Filing to increase unbundled loop and nonrecurring rates (tariffs filed December 24, 2002)*

On Behalf of AT&T Communications of Illinois, Inc., WorldCom, Inc. ("MCI"), McLeodUSA Telecommunications Services, Inc., Covad Communications Company, TDS Metrocom, LLC, Allegiance Telecom of Illinois, Inc., RCN Telecom Services of Illinois, LLC, Globalcom, Inc., Z-Tel Communications, Inc., XO Illinois, Inc., Forte Communications, Inc., and CIMCO Communications, Inc.

Direct

May 6, 2003

Rebuttal

January 20, 2004

Surrebuttal

February 20, 2004

Supplemental Surrebuttal

May 5, 2004

**Before the Indiana Utility Regulatory Commission**

**Cause No. 42393**

*In the matter of the commission investigation and generic proceeding of rates and unbundled network elements and collocation for Indiana Bell Telephone Company, Incorporated d/b/a SBC Indiana pursuant to the Telecommunications Act of 1996 and related Indiana statutes*

On behalf of AT&T Communications of Indiana, G.P. and TCG Indianapolis ("AT&T"), WorldCom, Inc. ("MCI"), McLeodUSA Telecommunications Services, Inc., Covad Communications Company, and Z-Tel Communications, Inc.

Response

August 15, 2003

**Before the Public Service Commission of Maryland**

**Case No. 8879**

*In the matter of the investigation into rates for unbundled network elements pursuant to the Telecommunications Act of 1996*

On Behalf of the Staff of the Public Service Commission of Maryland

Rebuttal

September 5, 2001

Supplemental Rebuttal

October 4, 2001

Surrebuttal

October 15, 2001

**Before the Massachusetts Department of Telecommunications and Energy**

*Docket DTE 06-61 Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariff: M.D.T.E. No. 14, filed with the Department on June 16, 2006, to become effective July 16, 2006, by Verizon New England, Inc. d/b/a Verizon Massachusetts*

On Behalf of Broadview Networks, Inc.; DSCI Corporation; Eureka Telecom, Inc. d/b/a InfoHighway Communications; Metropolitan Telecommunications of Massachusetts, Inc., a/k/a MetTel; New Horizon Communications; and One Communications (collectively "CLEC Coalition")

Rebuttal Panel Testimony

September 12, 2006

**Before the Massachusetts Department of Telecommunications and Energy****Docket DTE 01-20**

*Investigation by the department on its own motion into the appropriate pricing, based upon total element long-run incremental costs, for unbundled network elements and combinations of unbundled network elements, and the appropriate avoided cost discount for Verizon New England Inc., d/b/a Verizon Massachusetts' resale services*

On Behalf of the CLEC Coalition

Rebuttal

July 17, 2001

**Before the Michigan Public Service Commission****Case No. U-13531**

*In the matter, on the commission's own motion, to review the costs of telecommunications services provided by SBC Michigan*

On behalf of AT&T Communications of Michigan, Inc., and TCG Detroit ("AT&T")

Initial

January 20, 2004

Final Reply

May 10, 2004

**Before the Michigan Public Service Commission****Case No. U-11756**

*In the matter of the complaint of Michigan Pay Telephone Association et al. Against Ameritech Michigan and Verizon North Inc., f/k/a GTE North Incorporated*

On behalf of Michigan Pay Telephone Association and the other payphone service provider Complainants

Direct

February 10, 2003

**Before The Office Of Administrative Hearings For The Minnesota Public Utilities Commission****MPUC Docket No. P-421/AM-06-713, OAH Docket No. 3-2500-17511-2**

*In the matter of Qwest Corporation's Application for Commission Review of TELRIC Rates Pursuant to 47 U.S.C. § 251*

On behalf of Integra Telecom of Minnesota, Inc.; McLeodUSA Telecommunications Services, Inc.; POPP.com, Inc.; DIECA Communications, Inc., d/b/a Covad Communications Company; TDS Metrocom; and XO Communications of Minnesota, Inc., ("The CLEC Coalition")

Direct

August 24, 2007

**Before the Public Service Commission of the State of Montana****Docket No. D97.5.87**

*IN THE MATTER OF the Investigation into U S WEST Communications, Inc.'s Compliance with Section 271(c) of the Telecommunications Act of 1996*

On behalf of AT&T Communications of the Mountain States

Direct

June 1998

Rebuttal

June 1998

Supplemental Rebuttal

November 1998

**Before the Public Service Commission of the State of Montana****Docket No. D96.12.220**

*IN THE MATTER of the Application of U S WEST Communications, Inc. to Restructure its Prices for Regulated Telecommunications Service.*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

October 1997

**Before the Nebraska Public Service Commission****Application No. C-1628**

*In the matter of the Nebraska Public Service Commission, on its own motion, seeking to conduct an investigation into intrastate access charge reform and intrastate universal service fund*

On behalf of AT&T Communications of the Midwest, Inc.

Direct

October 20, 1998

**Before the Nebraska Public Service Commission****Application No. C-1830**

*In the Matter of US West Communications, Inc., filing its notice of intention to file Section 271(c) application with the FCC and request for Commission to verify US West compliance with Section 271(c)*

On behalf of AT&T Communications of the Midwest, Inc.

Direct and rebuttal

August 1998

**Before the Nebraska Public Service Commission****Docket No. C-1519**

*In the matter of the emergency petition of MCI Telecommunications Corporation and AT&T Communications of the Midwest, Inc. to investigate compliance of Nebraska LECs with FCC payphone orders*

On behalf of AT&T Communications of the Midwest, Inc.

Direct

January 20, 1998

**Before the New Mexico State Corporation Commission****Docket No. 96-310-TC and Docket No. 97-334-TC**

*In the matter of the consideration of the adoption of a rule concerning costing methodologies and In the matter of the implementation of new rules related to the rural, high-cost, and low-income components of the New Mexico universal service fund*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

July 8, 1998

Rebuttal

August 5, 1998

**Before the New Mexico State Corporation Commission****Docket No. 97-106-TC**

*In The Matter Of Qwest Corporation's Section 271 Application And Motion For Alternative Procedure To Manage The Section 271 Process*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

July 1998

Rebuttal

July 1998

Reply

September 1998

**Before the New Mexico State Corporation Commission****Docket No. 97-69-TC**

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

March 20, 1997

**Before the North Carolina Utilities Commission****Docket No. P-100, Sub 133d, Phase I***In the matter of general proceeding to determine permanent pricing for unbundled network elements*

On Behalf of New Entrants

Direct

August 11, 2000

**Before the Public Service Commission of the State of North Dakota****Case No. PU-05-451***Midcontinent Communications, a South Dakota Partnership, Complainant vs. North Dakota Telephone Company, Respondent*

On behalf of Midcontinent Communications

Direct

December 21, 2005

Rebuttal

January 16, 2006

**Before the Public Service Commission of the State of North Dakota****Docket No. PU-314-97-465***In the matter of U S WEST Communications, Inc., universal service costs investigation*

On behalf of AT&amp;T Communications of the Midwest, Inc.

Rebuttal

February 27, 1998

**Before the Public Utilities Commission of Ohio****Case No. 02-1280-TP-UNC, Phase II***In the matter of the Review of SBC Ohio's TELRIC Costs for Unbundled Network Elements*

On behalf of MCIMetro Access Transmission Services, LLC, McLeodUSA Telecommunications Services, Inc., Covad Communications Company, NuVox Communications of Ohio, Inc., and XO Ohio, Inc.

Direct

August 8, 2005

**Before the State of South Dakota Public Utilities Commission****Docket No. TC07-117***In The Matter of the Petition Of Midcontinent Communications For Approval Of Its Intrastate Switched Access Tariff And For An Exemption From Developing Company-Specific Cost-Based Switched Access Rates*

On behalf of Midcontinent Communications

Direct

July 15, 2008

**Before the State Office of Administrative Hearings (Texas)****SOAH Docket No. 473-07-1365, PUC Docket No. 33545***Application of McLeodUSA Telecommunications Services, Inc. For Approval of Intrastate Switched Access Rates Pursuant To PURA Section 52.155 And PUC Subst. R. 26.223*

On behalf of McLeodUSA Telecommunications Services, Inc.

Rebuttal

May 24, 2007

**Before the Public Service Commission of Wisconsin****Docket No. 6720-TI-187***Petition of SBC Wisconsin to determine rates and costs for unbundled network elements*

On behalf of AT&amp;T Communications of Wisconsin, L.P. and TCG Milwaukee ("AT&amp;T"), and MCI, Inc.

Rebuttal

June 15, 2004

**Before the Wyoming Public Service Commission****Docket No. 70000-TA-98-442***In the matter of the second application of U S WEST Communications, Inc., for a finding that its interexchange telecommunications services are subject to competition*

On behalf of AT&amp;T Communications of the Mountain States, Inc.

Direct

January 6, 1999

**Before the Wyoming Public Service Commission****Docket No. 70000-TR-98-420**

*In the matter of the application of U S WEST Communications, Inc., for authority to implement price ceiling in conjunction with its proposed Wyoming price regulation plan for essential and noncompetitive telecommunication services*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

September 9, 1998

**Before the Wyoming Public Service Commission****General Order No. 81**

*In the matter of the investigation by the Commission of the feasibility of developing its own costing model for use in determining federal universal service fund support obligations in Wyoming*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

November 1997

Amended Direct

January 23, 1998

Rebuttal

February 6, 1998

**Before the Wyoming Public Service Commission****Docket No. 72000-TI-97-107 and Docket No. 70000 TI-97-352**

*In the matter of the petition of AT&T for the Commission to initiate investigation of U S WEST Communications, Inc.'s compliance with Section 271 of the Telecommunications Act of 1996*

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

1998

**Before the Wyoming Public Service Commission****Docket No. 72000-TC-97-99**

On behalf of AT&T Communications of the Mountain States, Inc.

Direct

May 15, 1997

**Before the Wyoming Public Service Commission****Docket No. 70007-TR-95-15**

On behalf of AT&T Communications of the Mountain States, Inc.

Adopted Pre-filed Direct

October 1996

**Selected Reports, Presentations and Publications**

QSI Final Report to the Hawaii Public Utilities Commission "Analysis and Recommendations Related to Docket No. 04-0140 *Merger Application Of Paradise Mergersub, Inc. (n/k/a Hawaiian telecom Mergersub, Inc.), Verizon Hawaii, Inc. and Related Companies*" February 7, 2005

QSI Technical Report No. 012605A "IP-Enabled Voice Services: Impact of Applying Switched Access Charges to IP-PSTN Voice Services"

*Ex Parte filing in FCC dockets WC Dockets No. 04-36 (In the Matter of IP-Enabled Services), 03-266 (In the Matter of Level 3 Communications LLC Petition for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of 47 U.S.C. § 251(g), Rule 51.701(b)(1), and Rule 69.5(b); IP Enabled Services)*  
Washington DC, January 27, 2005

QSI Report to the Wyoming Legislature "The Wyoming Universal Service Fund. *An Evaluation of the Basis and Qualifications for Funding*" December 3, 2004

QSI Management Audit Reports to the Wyoming Public Service Commission on the Wyoming Universal Service Fund:

1. For the period October 28, 1999 through December 31, 2001 (issued May 15, 2002)
2. For the period January 1, 2002 through December 31, 2004 (issued January 31, 2006)



**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-2**

**Comporium Communications Alternative Regulation Plan**

MCNAIR LAW FIRM, P.A.  
ATTORNEYS AND COUNSELORS AT LAW

www.mcnaire.net

BANK OF AMERICA TOWER  
1301 GERVAIS STREET, 17th FLOOR  
COLUMBIA, SOUTH CAROLINA 29201

174688 SA  
060150510  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803)799-8800  
FACSIMILE (803)376-2277

July 1, 2005

2005-203-C

RECEIVED  
JUL 05 2005  
PSC SC  
DOCKETING DEPT.

Mr. Charles L. A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
Synergy Business Park, The Saluda Building  
101 Executive Center Drive  
Columbia, South Carolina 29210

**Re: Rock Hill Telephone Company, Lancaster Telephone Company, and  
Fort Mill Telephone Company all d/b/a Comporium Communications  
Alternative Regulation Plan**

Dear Mr. Terreni:

Enclosed for filing on behalf of Rock Hill Telephone Company, Lancaster Telephone Company, and Fort Mill Telephone Company all d/b/a Comporium Communications, please find an original and ten (10) copies of an Alternative Regulation Plan. Accompanying the Plan are an original and ten (10) copies each of the Affidavit of Matthew L. Dosch and Robert Thomas Joslin.

Please clock in a copy and return it with our courier.

Thank you for your assistance.

Very truly yours,

M. John Bowen, Jr.

MJB/rwm  
Enclosures

cc: C. Dukes Scott, Esquire  
Matthew L. Dosch

**ROCK HILL TELEPHONE COMPANY,  
LANCASTER TELEPHONE COMPANY,  
AND FORT MILL TELEPHONE COMPANY,  
ALL D/B/A COMPORIUM COMMUNICATIONS  
ALTERNATIVE REGULATION PLAN  
PURSUANT TO S.C. CODE ANN. § 58-9-576**

Filed July 1, 2005  
Effective August 1, 2005

1. Introduction

Rock Hill Telephone Company d/b/a Comporium Communications ("Rock Hill"), Lancaster Telephone Company d/b/a Comporium Communications ("Lancaster"), and Fort Mill Telephone Company d/b/a Comporium Communications ("Fort Mill") (collectively referred to herein as the "Comporium Companies") are local exchange carriers operating in the State of South Carolina. Because they are under common ownership and management, the Comporium Companies are jointly submitting this Alternative Regulation Plan.

Pursuant to S.C. Code Ann. § 58-9-576(A), any local exchange carrier ("LEC") may elect to have the rates, terms, and conditions of its services determined pursuant to the alternative regulation plan described in S.C. Code Ann. § 58-9-576(B), provided the Public Service Commission of South Carolina ("Commission") (1) has approved a local interconnection agreement in which the LEC is a participant with an entity determined by the Commission not to be affiliated with the LEC, (2) determines that another provider's service competes with the LEC's basic local exchange telephone service, or (3) determines that at least two wireless providers have coverage generally available in the LEC's service area and that the providers are not affiliates of the LEC. There are at least two wireless providers with coverage generally available in the service areas of Rock Hill, Lancaster, and Fort Mill that are not affiliated with any of the companies, as specified herein. Rock Hill, Lancaster, and Fort Mill hereby elect to have the rates, terms, and conditions of their services determined pursuant to the alternative regulation plan described herein (the "Plan"), which conforms with the plan described in S.C. Code Ann. § 58-9-576(B).

As of July 1, 2005, the date of notice of election of the Plan, there is wireless coverage generally available in Rock Hill's, Lancaster's, and Fort Mill's service areas from the following wireless carriers, none of which is affiliated with any of the Comporium Companies:

ALLTEL Communications, Inc. ("ALLTEL")  
Cricket Communications, Inc. ("Cricket")  
Nextel South Corp. ("Nextel")  
Sprint Spectrum, LP, d/b/a Sprint PCS ("Sprint PCS")  
Triton PCS Operating Co., LLC, d/b/a SunCom ("SunCom")

Cellco Partnership, d/b/a Verizon Wireless ("Verizon")

In addition, each of the Comporium Companies has a Resale Agreement with CAT Communications, Inc.

The Plan described herein is in lieu of other forms of regulation including, but not limited to, rate of return or rate base monitoring or regulation.

2. Effective Date

The effective date of the Plan is August 1, 2005, which is not sooner than thirty days after filing with the Commission notice of election of the Plan. The Plan will apply to all local services offered by Rock Hill, Lancaster, and Fort Mill that are regulated by the Commission.

3. The Plan

- a. As of July 1, 2005, the date of notice of election of the Plan, existing rates, terms, and conditions for the services provided by Rock Hill, Lancaster, and Fort Mill contained in the companies' then-existing tariffs and contracts are considered just and reasonable.
- b. Rock Hill, Lancaster, and Fort Mill are "small LECs" for purposes of S.C. Code Ann. § 58-9-576(B)(3). S.C. Code Ann. § 58-9-10(14) defines "small LEC" to mean a "rural telephone company" as defined in the federal Telecommunications Act of 1996.
- c. Rock Hill's, Lancaster's, and Fort Mill's flat-rated local exchange services for residential and single-line business customers are priced below the statewide average local service rates for those services, weighted by number of access lines, as shown in Rock Hill's, Lancaster's, and Fort Mill's local service tariffs on file with the Commission. Therefore, pursuant to S.C. Code Ann. § 58-9-576(B)(3), the requirements of S.C. Code Ann. § 58-9-576(B)(3) and (4) shall be waived by the Commission until such time as the respective companies' residential and single-line business rates are priced at the statewide average local service rates for those services. At such time as Rock Hill's, Lancaster's, and Fort Mill's residential and single-line business rates, or either of those rates, equals the statewide average local service rate for that service or those services, the rate for the service that is priced at the statewide average rate shall be subject to the provisions of S.C. Code Ann. § 58-9-576(B)(3) and (4); *i.e.*, that rate shall be frozen for a period of two years from the date at which it is set at the statewide average rate and, after the expiration of the two-year period, may be adjusted on an annual basis pursuant to an inflation-based index.
- d. Rock Hill, Lancaster, and Fort Mill may increase rates for flat-rated local exchange services for residential and single-line business customers if they are below the statewide average rates, in accordance with S.C. Code Ann. § 58-9-576(B)(3).

- e. Rock Hill, Lancaster, and Fort Mill will set rates for all other services on a basis that does not unreasonably discriminate between similarly situated customers. All such rates are subject to a complaint process for abuse of market position in accordance with Commission rules and procedures.
- f. Except when exempted by law, Rock Hill, Lancaster, and Fort Mill will file tariffs for price changes or new services with respect to their local exchange services (including residential and single-line business services) that set out the terms and conditions of the services and the rates for such services. Tariffs will be presumed valid and become effective seven days after filing for price decreases and fourteen days after filing for price increases and new services.
- g. As provided for in S.C. Code Ann. § 58-9-576(B), the Plan applies in lieu of rate of return or rate base regulation. Thus, the procedures set forth above for changes in rates are to be used in lieu of traditional rate-of-return procedures for determining rates, terms, and conditions for service, as found in S.C. Code Ann. §§ 58-9-510 through -570 and in 26 Code Ann. Regs. 103-834(A)(3).

STATE OF SOUTH CAROLINA       )  
                                          )  
COUNTY OF YORK                 )

**AFFIDAVIT OF MATTHEW L. DOSCH**

Personally appeared before me, Matthew L. Dosch, who, first being duly sworn, did  
depose and say:

1. I am Vice President of External Affairs for Rock Hill Telephone Company, Fort Mill Telephone Company, and Lancaster Telephone Company, all doing business as Comporium Communications (Comporium).

2. There are a number of wireless providers that have coverage generally available in the Comporium service area. Attached to this Affidavit as EXHIBIT A, and incorporated herein by reference, are coverage maps showing general coverage of the areas served by Comporium for the following wireless service providers: ALLTEL, Nextel, Sprint PCS, SunCom, and Verizon. These maps were obtained from the respective carriers. None of these wireless service providers is affiliated with any Comporium company, including Rock Hill Telephone Company, Fort Mill Telephone Company, or Lancaster Telephone Company.

3. Robert Joslin, president and a founding partner of EnVision Wireless, Inc., conducted a drive test of the commercial wireless service offered by ALLTEL and Verizon in the Comporium service area. The results of the drive test are detailed in Mr. Joslin's affidavit. In addition to the drive test, an analysis of the percentage of population covered by wireless networks within Lancaster Telephone Company's service area was prepared at my direction. Based upon 2000 Census data, 94.7% of the population within

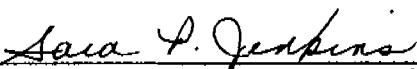
Lancaster Telephone Company's service territory is covered by landline quality wireless service provided by both Verizon and ALLTEL.

4. Both ALLTEL and Verizon have generally available coverage and a good quality of service throughout the Comporium service area.

FURTHER AFFIANT SAITH NOT.

  
Matthew L. Desch

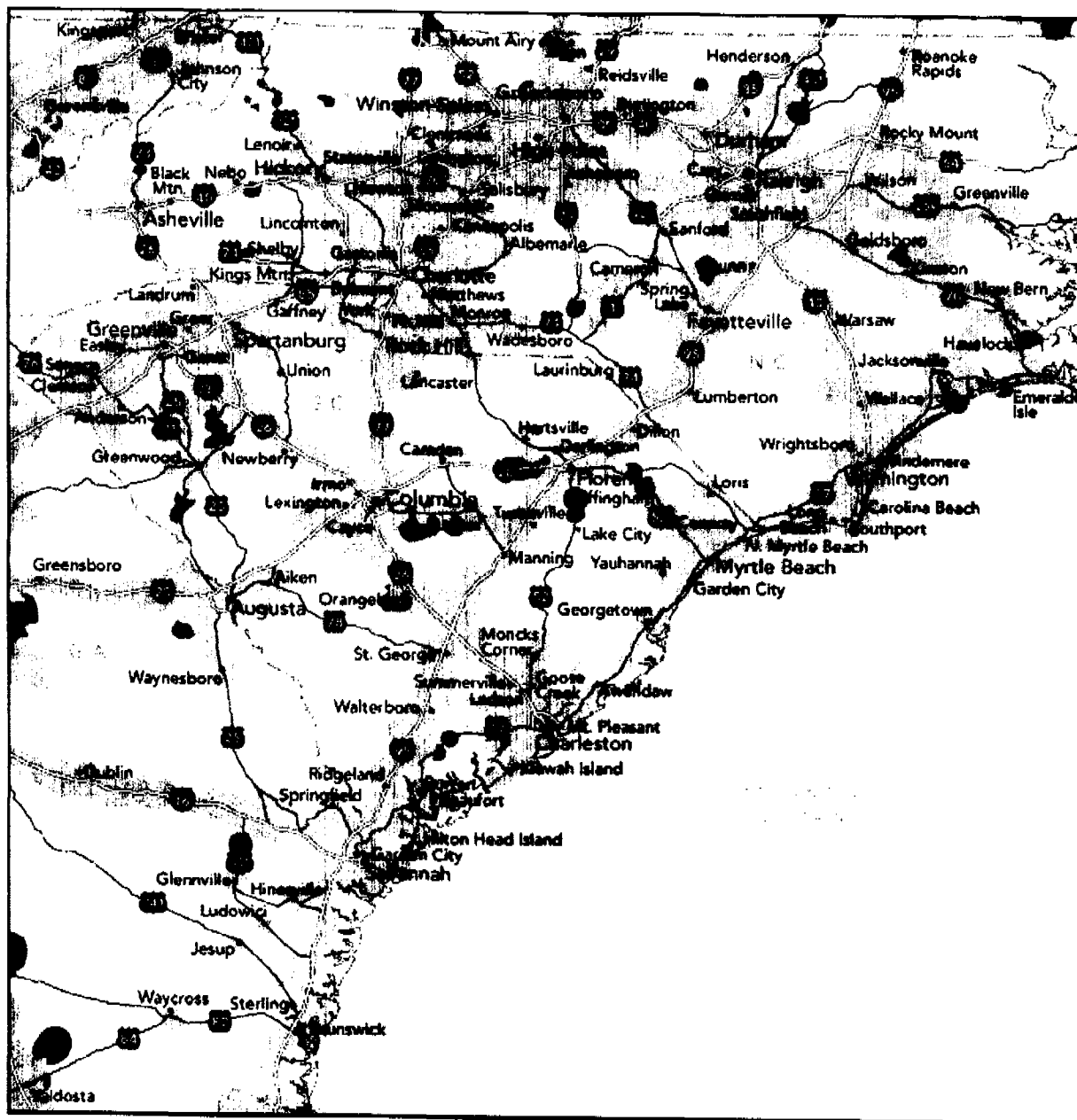
Sworn to before me this  
30<sup>th</sup> day of June, 2005

  
Notary Public for the State of South Carolina  
My Commission Expires 8/20/13

# EXHIBIT A

2005-07-14  
10:10 AM  
10:10 AM  
10:10 AM





Find Local Sales Locations in Charlotte/Hickory Area  
View Rate Plans in Charlotte/Hickory Area  
Check Coverage In Another Area

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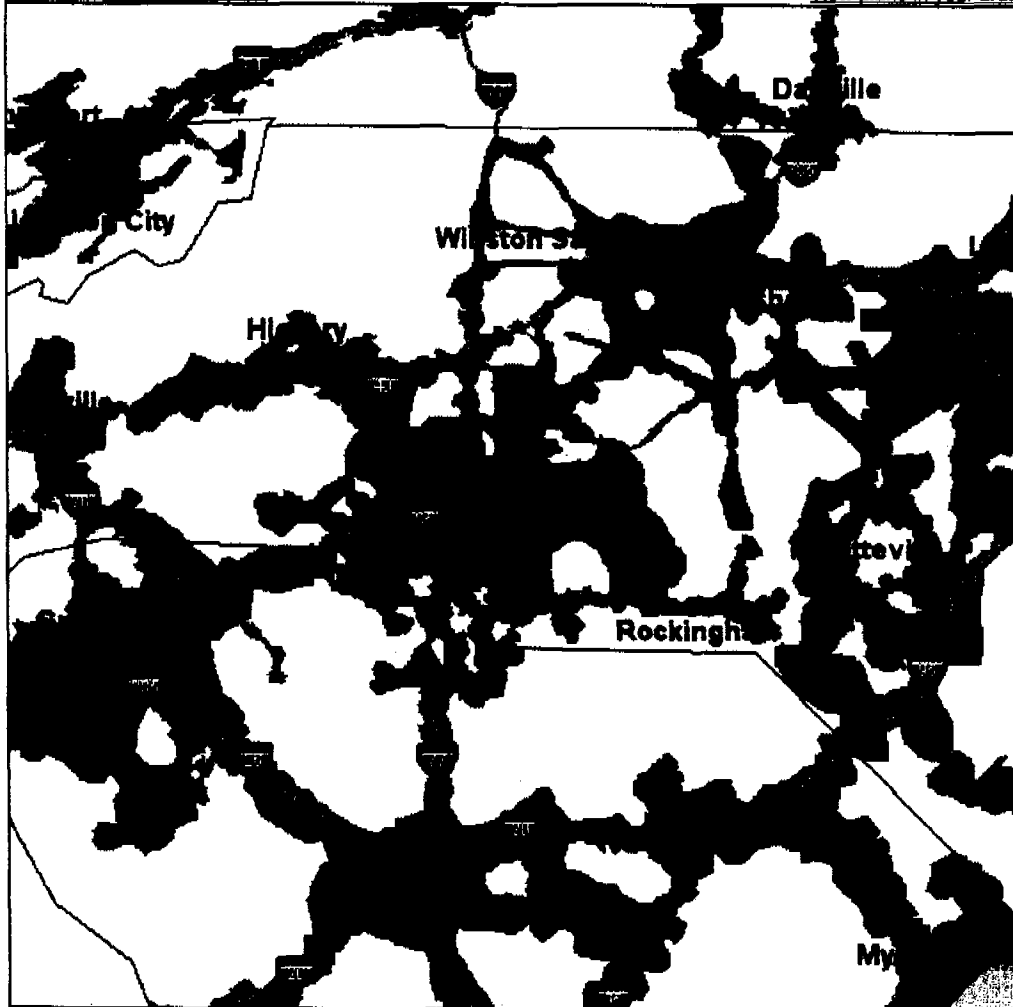


## Coverage Information

This map shows coverage in the Rock Hill, NC (29732) area.

[Back to Coverage Information](#)

[View plans in your area](#)



- ☒ ☒ Sprint Nationwide PCS Network
- ☒ ☐ Additional Sprint PCS Service
- ☒ ☐ Digital Roaming
- ☒ ☐ + ☐ Analog Roaming
- ☒ ☐ No Service Available

[Back to Coverage Information](#)

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### Find Coverage for another location

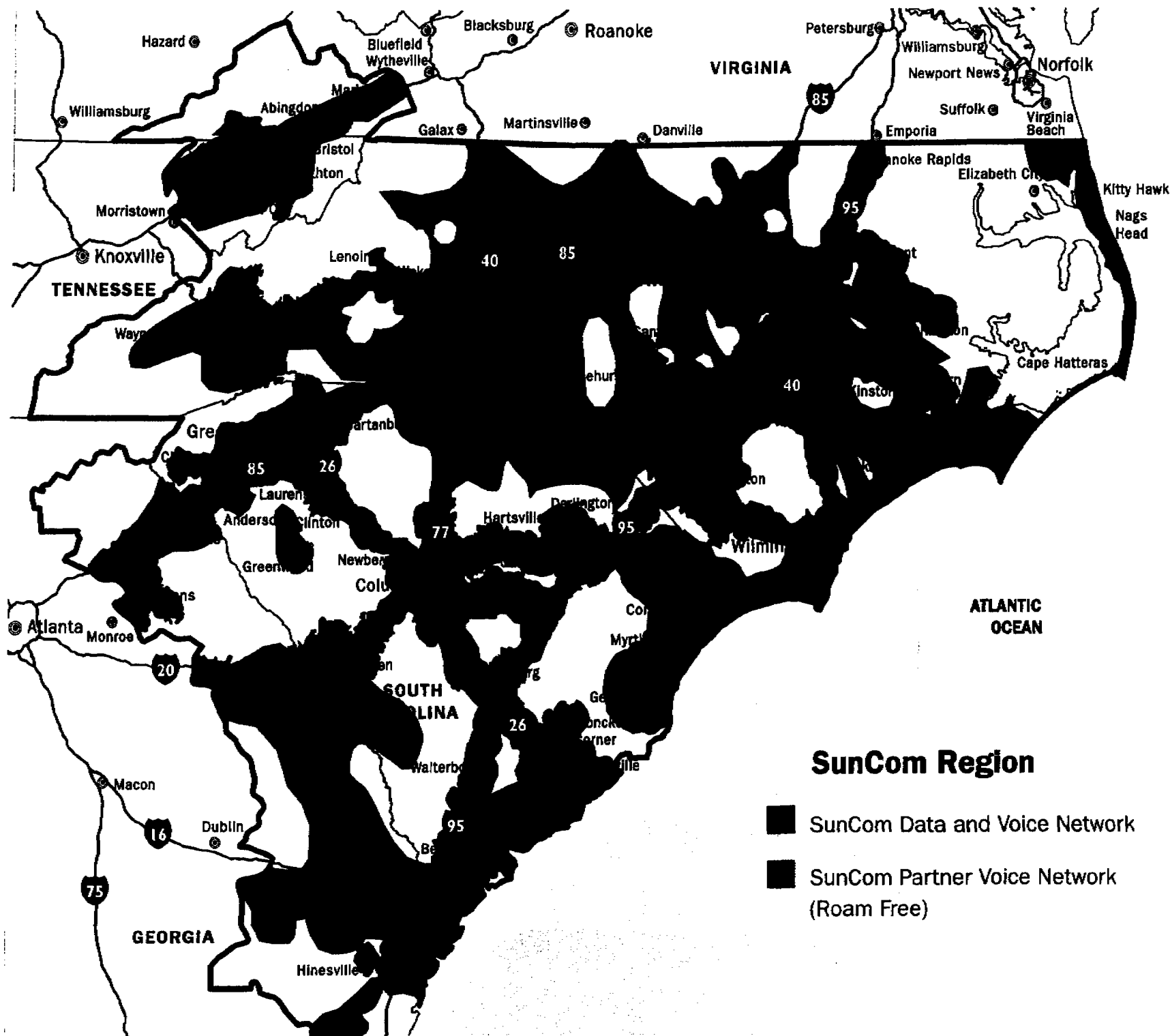
Enter zip code:

[View coverage](#)

Or, select a state:

South Carolina

[Go](#)



STATE OF FLORIDA

COUNTY OF BREVARD

)  
)  
)

**AFFIDAVIT OF ROBERT THOMAS JOSLIN**

Personally appeared before me, Robert Joslin, who, first being duly sworn, did depose and say:

1. I am president and a founding partner of EnVision Wireless, Inc., an RF engineering company that specializes in network design, network optimization and drive testing of today's wireless communication networks. I have ten years of experience in wireless optimization and design as well as management of RF engineering services companies. Prior to EnVision, I served as Director of North American Operations for the Wireless Network Services Division of Agilent Technologies. Agilent acquired my former employer, SAFCO Technologies, in 2000. Shortly after the purchase, I managed the opening of Agilent's western regional network services office. During my three-year employment with SAFCO, I held several management positions. My last role at SAFCO was as manager of its competitive network benchmarking business. In 1995, I joined TEC Cellular, Inc. (TECC) where I worked on many wireless design and optimization projects. I was instrumental in securing and delivering the largest project in the company's history. In 1997, I joined the management team at TECC. As a manager of engineering services, my responsibilities included sales development, staffing and delivery of projects. I graduated from the University of Central Florida in 1994 with a bachelor's degree in Electrical Engineering. Following graduation, I began my wireless career with Nextel Communications in the role of Associate RF Engineer.

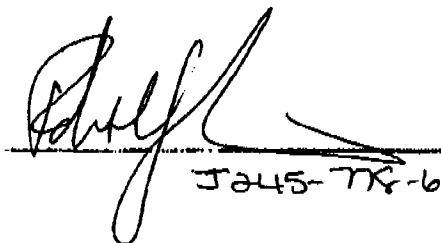
2. There are a number of wireless providers that have coverage generally available in the Comporium Communications (Comporium) service area. I personally conducted a drive test of the commercial wireless service offered by ALLTEL and Verizon in the Comporium service area. The drive test was conducted between June 7, 2005 and June 12, 2005 and covered approximately 1600 miles throughout the service areas of Rock Hill Telephone Company, Fort Mill Telephone Company, and Lancaster Telephone Company. The drive test was conducted for ALLTEL and Verizon using Kyocera 2135 wireless telephones. Each test phone was connected to an Agilent VoicePrint data collection system. The data post processing was performed with Agilent's OPAS32 software, which is specifically designed for post processing drive test data collected with Agilent's drive test systems. The drive test equipment collects data on signal strength and frame error rates, among other data.

3. The results of the system drive tests for ALLTEL and Verizon are shown on the maps attached hereto as EXHIBIT A and incorporated herein by reference. The black line depicted on each map represents the service area of the relevant incumbent local exchange company. Each map included in EXHIBIT A shows Frame Error Rate data for the wireless carrier tested. Frame Error Rate is the wireless industry standard for testing quality of service. A Frame Error Rate range of 0-2 indicates that between 0 and 2% of frames are missed during a call, which is comparable to the quality of a landline call. At a Frame Error Rate of 2-5, some syllables may be missed. At a Frame Error rate of 5-10, some words may be missed. At a Frame Error Rate in the range of 10-100, calls may be dropped. The actual number of dropped calls during the drive test varied by service provider (27 dropped calls out of 839 calls on ALLTEL's network and 22 out of 860 calls

on Verizon's network). As can be seen from the drive test maps, the ALLTEL and Verizon wireless networks have landline-quality service throughout the majority of the Comporium service area.

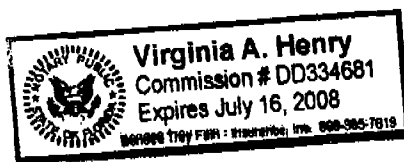
4. The system drive test results demonstrate that ALLTEL and Verizon have generally available coverage and a good quality of service throughout the Comporium service area.

FURTHER AFFIANT SAITH NOT.

  
J245-TK-68-3a-2

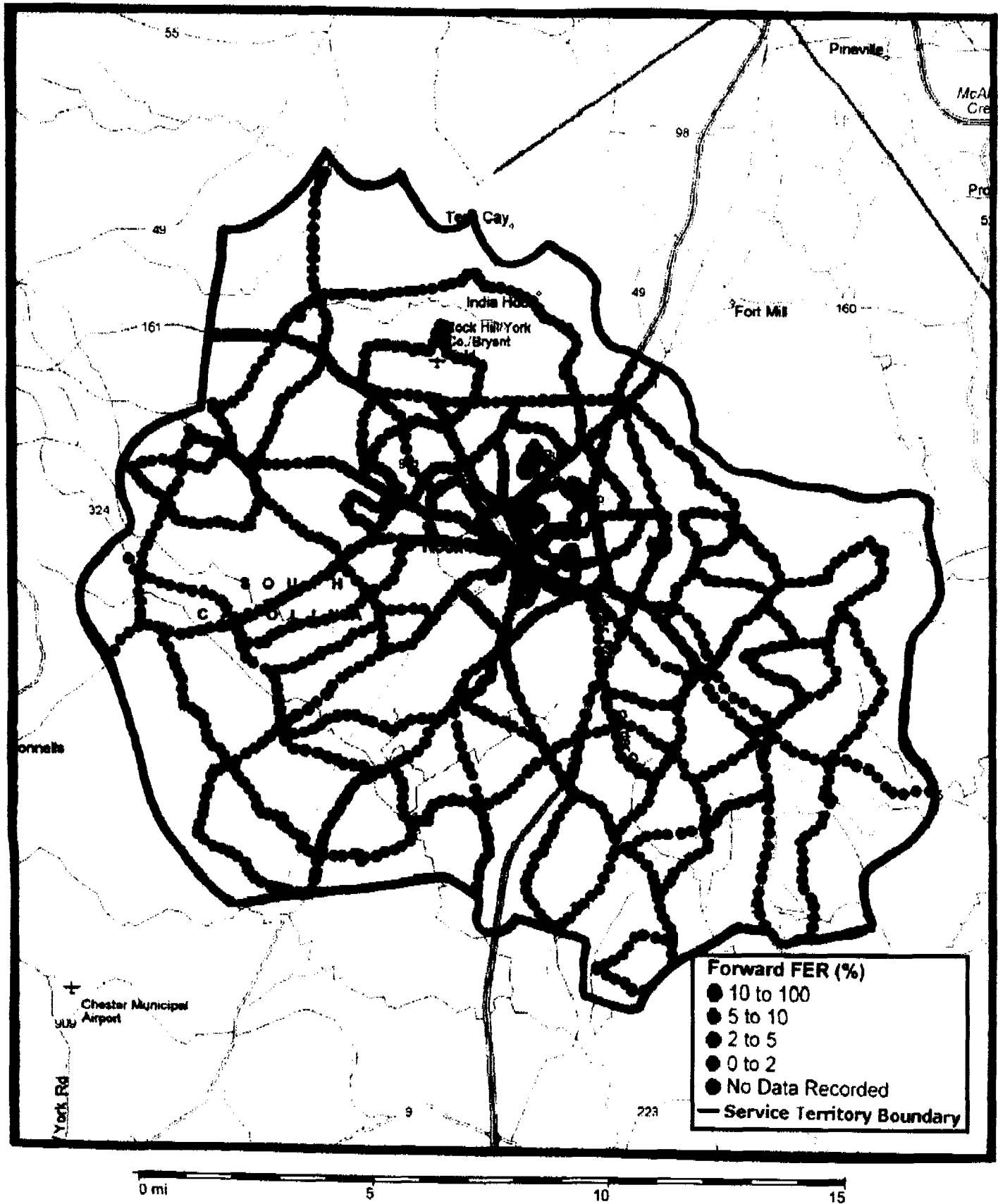
Sworn to before me this  
30 day of June, 2005

  
Notary Public for the State of Florida  
My Commission Expires 7-16-08



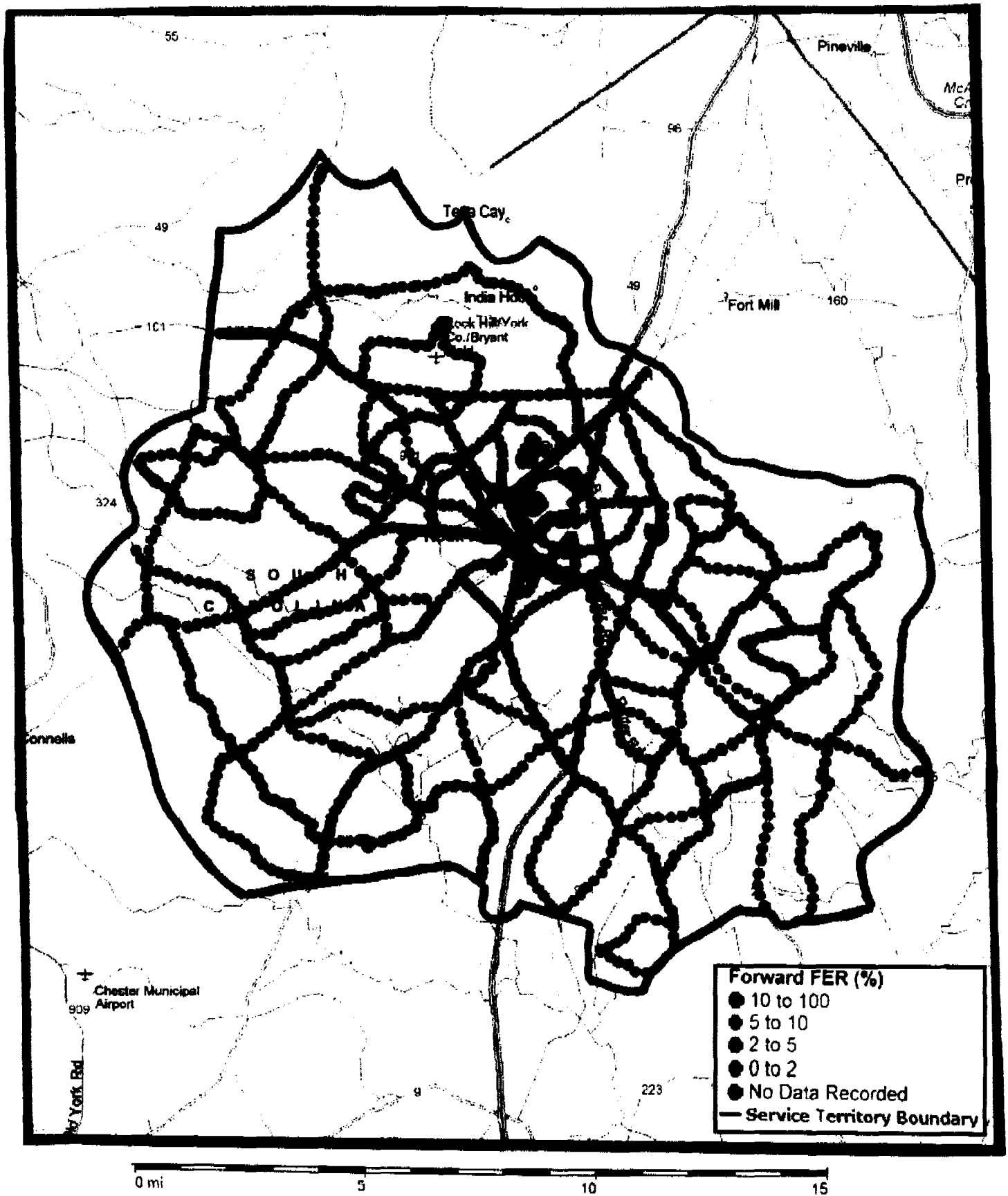
# EXHIBIT A

# Rock Hill- Alltel CDMA Forward FER (%)

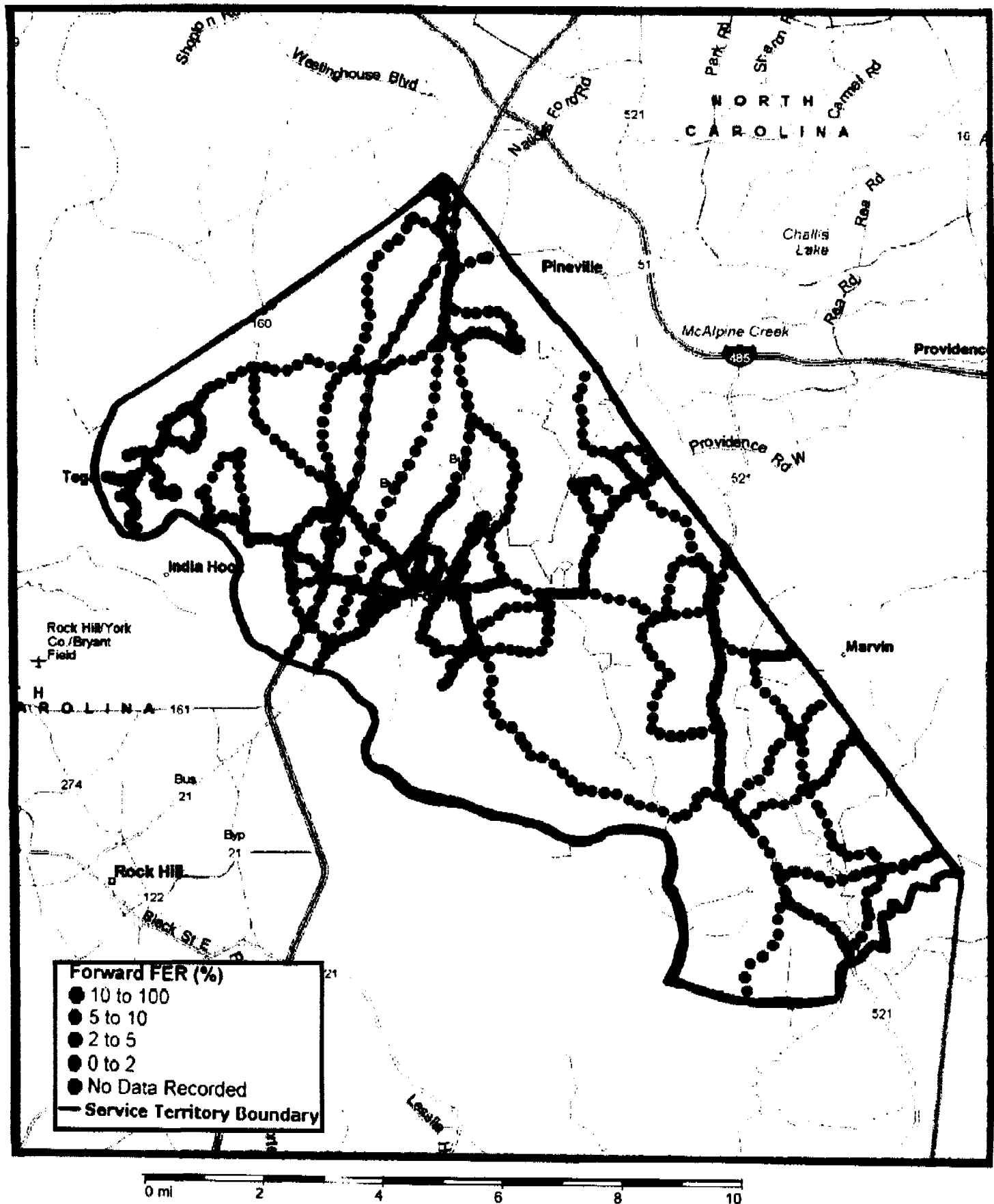




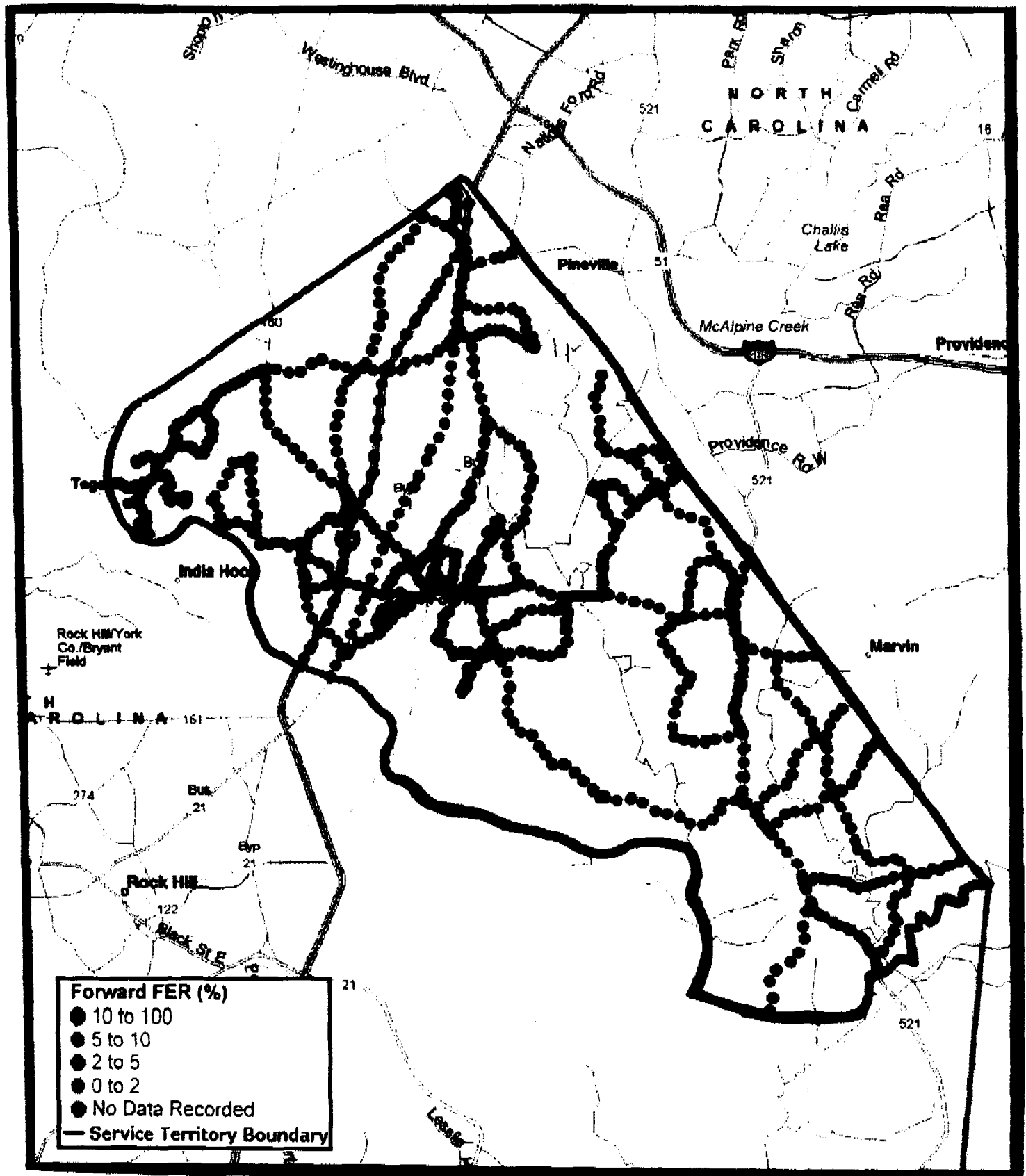
# Rock Hill- Verizon CDMA Forward FER (%)



# Fort Mill- Alltel CDMA Forward FER (%)

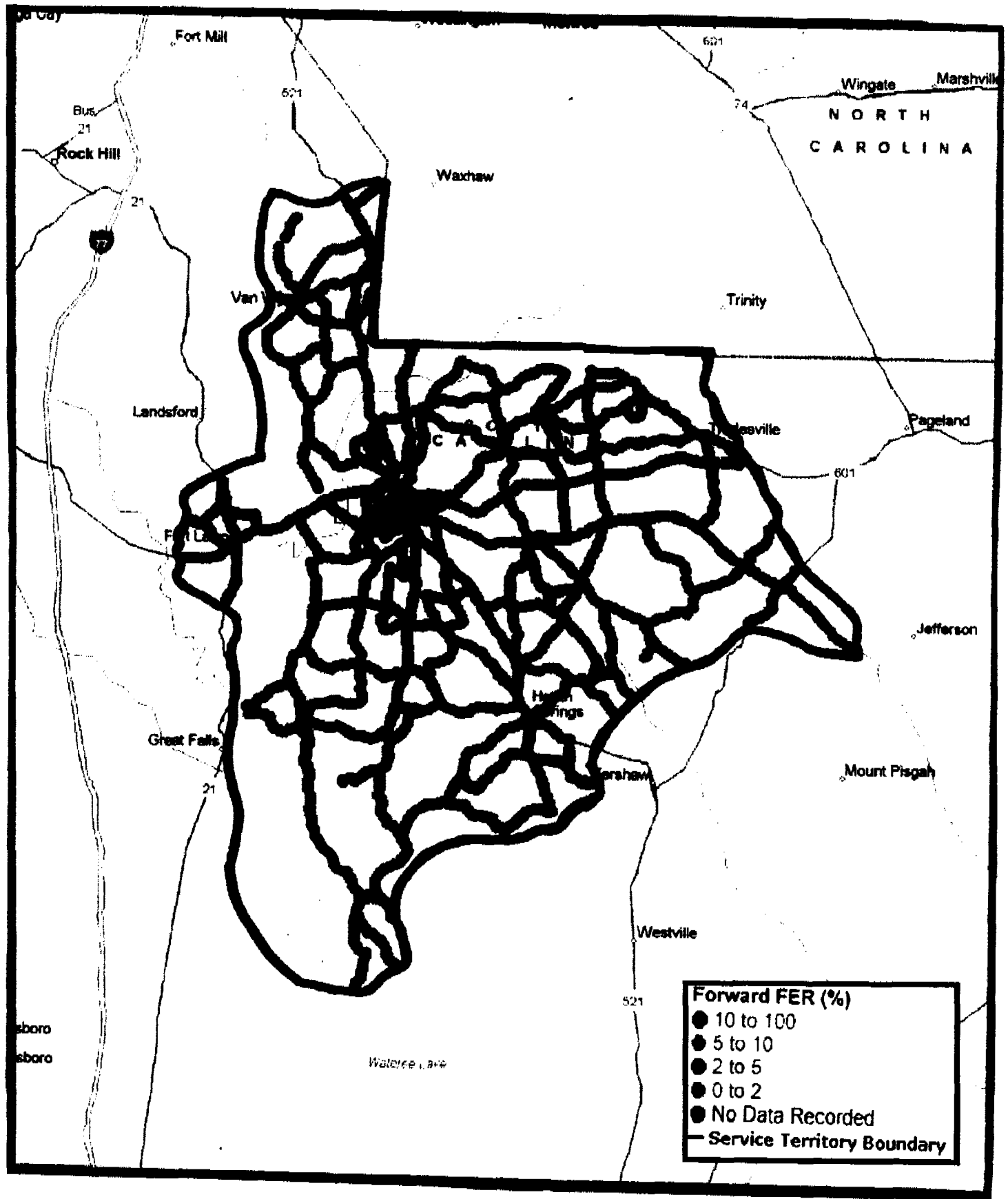


# Fort Mill- Verizon CDMA Forward FER (%)



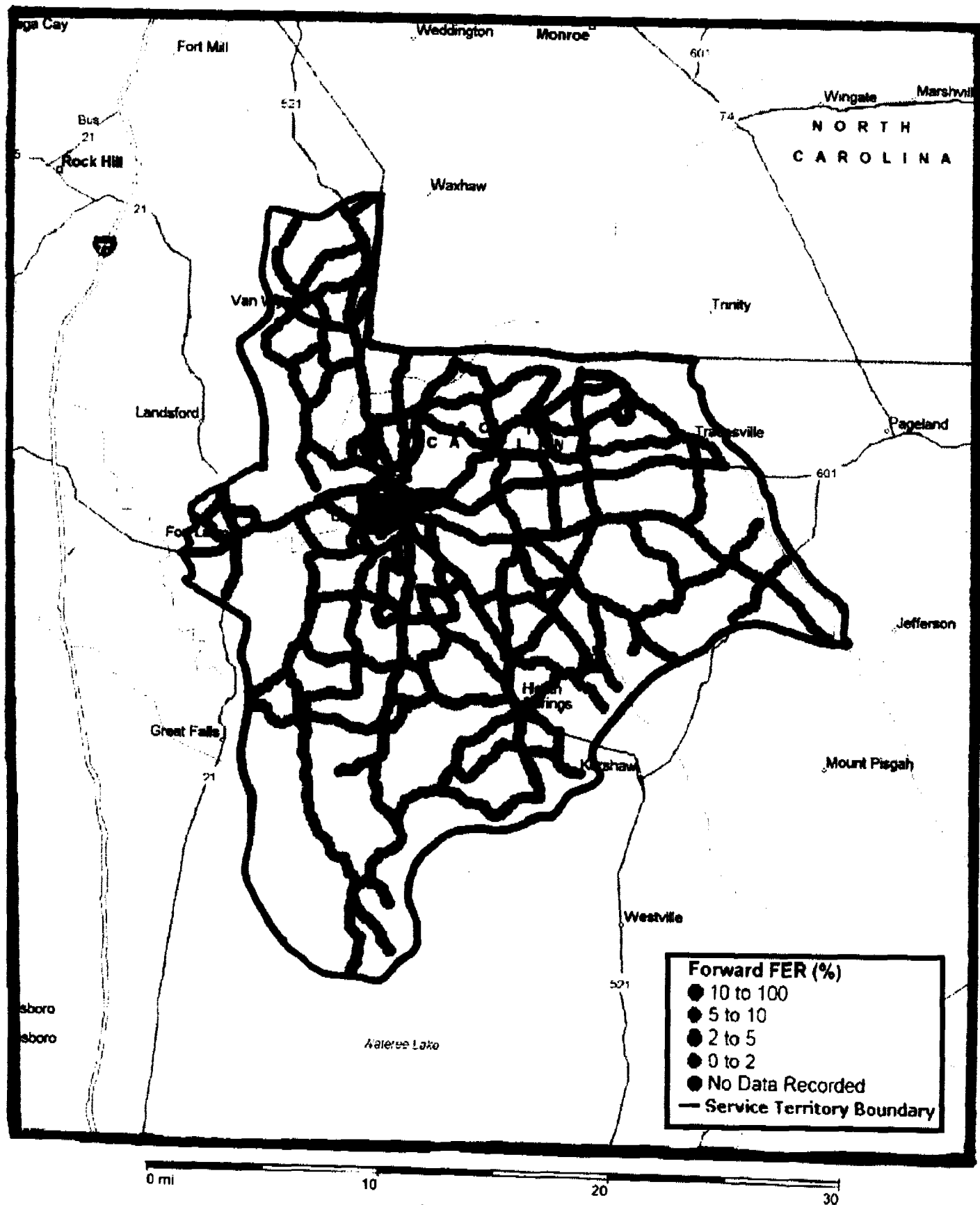
0 mi 2 4 6 8 10

# Lancaster- Airtel CDMA Forward FER (%)



0 mi 10 20

# Lancaster- Verizon CDMA Forward FER(%)



**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-3**

**Cited Portions of Rock Hill's 2007 Telecommunications Company Annual Report**

# TELECOMMUNICATIONS COMPANY ANNUAL REPORT OF

## Rock Hill Telephone Company d/b/a Comporium Communications

Exact Legal Name of Respondent

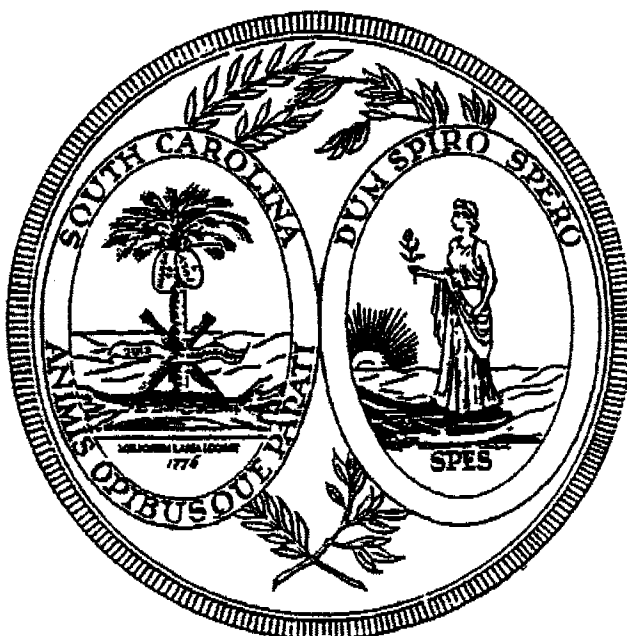
PSC/ORS Number (leave blank)

**FOR THE YEAR ENDED 2007**

☒ Calendar Year Ending December 31, 2007

or

☐ Fiscal Year Ending \_\_\_\_\_



**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #1- South Carolina Operating Revenue & Expenses**

**Year Ending December 31, 2007**

<b><u>Operating Revenues:</u></b>	<b><u>G/L Accounts</u></b>	<b><u>Combined</u></b>	<b><u>Intrastate</u></b>
Local Network Service Revenues		17,973,053	16,906,471
Network Access Service Revenues		16,449,444	16,449,444
Long Distance Revenues		652,937	563,830
Miscellaneous Revenues		4,698,464	545,499
Uncollectible Revenues		(77,670)	
Total Revenues		39,696,228	34,465,244
<b><u>Operating Expenses:</u></b>			
Plant Specific Expenses		6,583,163	
Plant Nonspecific Expenses		12,198,418	
Customer Operations Expenses		5,491,756	
Corporate Operations Expenses		8,599,100	
Operating Taxes other than Income		2,139,441	
Operating Investment Tax Credits-Net			
Operating Taxes-Income-Current-Federal		1,264,000	
Operating Taxes-Income-Current-State		191,000	
Operating Taxes-Deferred Income-Net		24,000	
Total Operations Expenses		36,490,878	
Net Income from Operations		3,205,350	
Interest Income		275,542	
Nonoperating Income and Expenses		27,888,178	
Fixed Charges-(Other Than Interest on Debt)		44,793	
Interest Expense on Funded Debt		3,293,853	
Non-regulated Net Income		1,588,896	
Extraordinary Items			
Net Income		29,619,320	



**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #2- Balance Sheet**

Date of Balance Sheet: December 31, 2007

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Current Assets</u></b>		
Cash		4,122,975
Temporary Investments		
Telecommunications Accounts Receivables		5,895,619
Allowance for Bad Debts		(364,000)
Interest, Dividends & Other Accounts Receivable		12,099,073
Notes Receivable-Net		750,000
Materials & Supplies Inventory		2,301,205
Other Current Assets		
<b>Total Current Assets</b>		<b>24,804,872</b>
<b><u>Prepaid Accounts &amp; Deferred Charges</u></b>		
Prepays		4,640,763
Deferred Charges		437,596
<b>Total Prepaid Accounts &amp; Deferred Charges</b>		<b>5,078,359</b>
<b><u>Non-Current Assets</u></b>		
Investments in Affiliated Companies		128,041,279
Investment in Non-Affiliated Companies		971,880
Non-Regulated Investments		21,901,421
Other Non-Current Assets		20,834,659
<b>Total Non-Current Assets</b>		<b>171,749,239</b>
<b><u>Telecommunications Plant</u></b>		
Telephone Plant in Service		183,902,203
Property Held for Future Use		251,369
Telecommunications Plant under Construction		1,021,868
Telecommunications Plant Adjustment		

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Telecommunications Plant-Continued</u></b>		
Non-Operating Plant		
Goodwill		
<b>Total Plant</b>		<b>185,175,440</b>
<b>Depreciation Reserve-Plant</b>		<b>125,631,744</b>
<b>Depreciation Reserve-Other</b>		<b>48,933</b>
<b>Total Depreciation Reserve</b>		<b>125,680,677</b>
<b>Net Telecommunications Plant</b>		<b>59,494,763</b>
<b>Total Assets</b>		<b>261,127,233</b>
<b><u>Current and Accrued Liabilities</u></b>		
<b>Accounts Payable</b>		<b>7,242,482</b>
<b>Notes Payable-Affiliated</b>		
<b>Advance Billings and Payments</b>		<b>1,406,384</b>
<b>Customer Deposits</b>		<b>183,444</b>
<b>Current Maturities-Long Term Debt</b>		<b>8,000,000</b>
<b>Current Maturities-Capital Leases</b>		
<b>Income Taxes Accrued</b>		
<b>Other Accrued Taxes</b>		<b>2,626,510</b>
<b>Other Accrued Liabilities</b>		<b>17,017,600</b>
<b>Other Current Liabilities</b>		
<b>Total Current and Accrued Liabilities</b>		<b>36,476,420</b>
<b><u>Other Liabilities and Deferred Credits</u></b>		
<b>Other Long Term Liabilities</b>		
<b>Premium on Long Term Debt</b>		
<b>Unamortized Operating Investment Tax Credits-Net</b>		

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b>Other Liabilities and Deferred Credits-Continued</b>		
<b>Unamortized Nonoperating Investment Tax Credits-Net</b>		
<b>Other Deferred Credits</b>		<b>5,409,379</b>
<b>Net Current Deferred Operating Income Taxes</b>		
<b>Net Current Deferred Nonoperating Income Taxes</b>		
<b>Net Noncurrent Deferred Operating Income Taxes</b>		<b>(3,821,000)</b>
<b>Net Noncurrent Deferred Nonoperating Income Taxes</b>		<b>4,540,000</b>
<b>Other Jurisdictional Liabilities and Deferred Credits</b>		
<b>Total Other Liabilities and Other Credits</b>		<b>6,128,379</b>
<b><u>Long Term Debt</u></b>		
<b>Funded Debt</b>		<b>27,829,757</b>
<b>Reacquired Debt</b>		
<b>Obligations Under Capital Leases</b>		
<b>Advances from Affiliated Companies</b>		<b>15,000,000</b>
<b>Other Long Term Debt</b>		
<b>Total Long Term Debt</b>		<b>42,829,757</b>
<b>Total Liabilities</b>		<b>85,434,556</b>
<b><u>Stockholders Equity</u></b>		
<b>Capital Stock</b>		<b>4,895,200</b>
<b>Additional Paid in Capital</b>		<b>1,732,516</b>
<b>Treasury Stock</b>		
<b>Other Capital</b>		<b>4,125,499</b>
<b>Retained Earnings</b>		<b>164,939,462</b>
<b>Total Stockholders Equity</b>		<b>175,692,677</b>
<b>Total Stockholders Equity and Liabilities</b>		<b>261,127,233</b>

**Schedule #3-Retained Earnings**

<b>Description</b>	<b>Debits</b>	<b>Credits</b>
<b>Retained Earnings Account</b>		
<b>Retained Earnings-Beginning of Year</b>		<b>163,913,006</b>
<b>Miscellaneous Debits to Retained Earnings</b>		
<b>Miscellaneous Credits to Retained Earnings</b>		
<b>Net Income or Loss From Operations</b>		<b>29,619,320</b>
<b>Retained Earnings-End of Year</b>		
<b>Appropriated Retained Earnings:</b>		
<b>Dividends Declared</b>	<b>28,592,864</b>	
<b>Other</b>		
<b>Unappropriated Retained Earnings:</b>		
<b>Jurisdictional Retained Earnings</b>		
<b>Other</b>		
<b>Retained Earnings-Total End of Year</b>		<b>164,939,462</b>

**Schedule #7- South Carolina Local Access Lines**

<b>Total Business</b>	<u>21,161</u>
<b>Total Residence</b>	<u>31,077</u>
<b>Total Lifeline Access Lines</b>	<u>1,469</u>
<b>Total Access Lines</b>	<u>53,707</u>
<b>Total Number of Customers</b>	<u>49,322</u>
<b>Total Wholesale Customers</b>	<u>0</u>
<b>Total Wholesale DSL Customers</b>	<u>Not Applicable</u>

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

---

In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

---

**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-4**

**Cited Portions of Rock Hill's 2003 Telecommunications Company Annual Report**

1

1

1

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## Schedule #2 - Operating Revenue & Expenses

Year Ending December 31, 2003 or Fiscal Year Ending \_\_\_\_\_

		Combined	Intrastate Gross Receipts
Operating Revenues:			
Local Network Services Revenue	5001-5069	17,544,042	16,230,720
Network Access Service Revenues	5080	16,706,099	16,706,099
Long Distance Revenues	5100-5169	1,179,317	1,075,454
Miscellaneous Revenues	5230-5270	4,417,137	683,654
Uncollectible Revenues	5301-5302	(52,933)	
Total Revenues		39,899,528	34,695,927
Operating Expenses:			
Plant Specific Expenses	6112-6410	5,606,288	
Plant Nonspecific Expenses	6560	14,842,483	
Customer Operations Expenses	6620	4,701,032	
Corporate Operations Expenses	6711-6790	6,506,616	
Operating Taxes other than Income	7240	2,190,404	
Operating Investment Tax Credits-Net	7210		
Operating Taxes-Income-Current-Federal	7220	1,941,000	
Operating Taxes-Income-Current-State	7230	377,000	
Operating Taxes-Deferred Income-Net	7250	(241,000)	
Total Operatins Expenses		35,923,823	
Net income from Operations		3,975,705	
Interest Income	7320	516,500	
Nonoperating Income and Expenses	7310-7450	(3,668,789)	
Fixed Charges-(Other Than Interest on Debt)	7540	155,748	
Interest Expense on Funded Debt	7510	1,287,639	
Non-regulated Net income	7610-7991	4,426,219	
Net Income		3,806,248	



### Schedule #3 - Balance sheet

Company Rock Hill Telephone Company

Date of Balance Sheet:

#### Assets:

Balance at Beginning of Year	Description	Balance at Close of Year
	<u>Telecommunications Plant</u>	
153,644,160	Telephone Plant in Service	157,902,926
226,051	Property Held for Future Use	226,051
1,403,624	Telecommunications Plant under Construction	2,977,241
	Telecommunications Plant Adjustment	
	Non-Operating Plant	
947,914	Goodwill	0
156,221,749	Total Plant	161,106,218
93,314,396	Depreciation Reserve-Plant	102,659,303
41,608	Depreciation Reserve-Other	44,872
93,356,004	Total Depreciation Reserve	102,704,175
62,865,745	Net Telecommunications Plant	58,402,043
	<u>Non-Current Assets</u>	
27,086,545	Investments in Affiliated Companies	29,366,820
2,136,653	Investment in Non-Affiliated Companies	396,050
18,051,911	Non-Regulated Investments	16,934,838
19,427,536	Other Non-Current Assets	15,905,413
66,702,645	Total Non-Current Assets	62,603,121
	<u>Current Assets</u>	
3,189,178	Cash	1,001,975
23,267,807	Temporary Investments	35,017,128
3,501,973	Telecommunications Accounts Receivables	3,354,230
(325,000)	Allowance for Bad Debts	(325,000)

**Schedule #3 - Balance Sheet - Continued**

**Assets - Continued:**

<u>Balance at Beginning of Year</u>	<u>Description</u>	<u>Balance at Close of Year</u>
	<u>Current Assets - Continued</u>	
5,380,291	Interest, Dividends & Other Accounts Receivable	4,745,064
2,097,084	Notes Receivable-Net	2,612,084
660,435	Materials & Supplies Inventory	432,267
37,771,768	Total Current Assets	46,837,748
	<u>Prepaid Accounts &amp; Deferred Charges</u>	
2,093,216	Prepaid	1,944,891
336,078	Deferred charges	336,861
2,429,294	Total Prepaid Accounts & Deferred Charges	2,281,752
169,769,452	Total Assets	170,124,664
	<u>Stockholders Equity</u>	
2,447,600	Capital Stock	2,447,600
1,732,516	Additional Paid in Capital	1,732,516
0	Treasury Stock	0
738,000	Other Capital	2,126,000
126,948,241	Retained Earnings	124,322,196
131,866,357	Total Stockholders Equity	130,628,312
	<u>Long Term Debt</u>	
20,000,000	Funded Debt	16,000,000
	Reacquired Debt	
	Obligations Under Capital Leases	
	Advances from Affiliated Companies	
	Other Long Term Debt	
20,000,000	Total Long Term Debt	16,000,000

**Schedule #3 - Balance Sheet - Continued**

**Equity and Liabilities - Continued:**

Balance at Beginning of Year	Description	Balance at Close of Year
	<u>Current and Accrued Liabilities</u>	
3,396,623	Accounts Payable	4,697,447
922,963	Notes Payable	922,557
1,037,954	Advance Billings and Payments	1,086,824
413,438	Customer Deposits	324,635
	Current Maturities - Long Term Debt	4,000,000
	Current Maturities - Capital Leases	
	Income Taxes Accrued	
2,323,753	Other Accrued Taxes	2,320,947
6,310,212	Other Accrued Liabilities	5,175,761
	Other Current Liabilities	
14,404,943	Total Current and Accrued Liabilities	18,528,171
	<u>Other Liabilities and Deferred Credits</u>	
	Other Long Term Liabilities	
	Premium on Long Term Debt	
	Unamortized Operating Investment Tax Credits-Net	
	Unamortized Nonoperating Investment Tax Credits - Net	
3,704,152	Other Deferred Credits	3,244,181
	Net Current Deferred Operating Income Taxes	
	Net Current Deferred Nonoperating Income Taxes	
(2,166,000)	Net Noncurrent Deferred Operating Income Taxes	(2,407,000)
1,960,000	Net Noncurrent Deferred Nonoperating Income Taxes	4,131,000
	Other Jurisdictional Liabilities and Deferred Credits	
3,498,152	Total Other Liabilities and Deferred Credits	4,968,181
17,903,095	Total Liabilities and Other Credits	23,496,352
169,769,452	Total Stockholders Equity and Liabilities	170,124,664

#### Schedule #4 - Retained Earnings

<u>Description</u>	<u>Debits</u>	<u>Credits</u>
Retained Earnings Account		
Retained Earnings - Beginning of Year		126,948,241
Miscellaneous Debits to Retained Earnings		
Miscellaneous Credits to Retained Earnings		
Net Income or Loss From Operations		3,806,248
Retained Earnings - End of Year		
Appropriated Retained Earnings:		
Dividends Declared	6,432,293	
Other		
Unappropriated Retained Earnings"		
Jurisdictional Retained Earnings		
Other		
Retained Earnings - Total End of Year		124,322,196

# **SCHEDULE #8 - ACCESS LINES**

**Exchange**  
**Central Office**  
**Business**

Rock Hill		
All		

ONE- PARTY BASIC

TWO- PARTY BASIC

FOUR-PARTY BASIC

MEASURED SERVICE

MESSAGE

PUBLIC COIN

PUBLIC COINLESS

COCOT

PBX

CENTREX

FX

FEATURE GROUP A

OTHER IXC ACCESS

TOTAL ALL OTHER

TOTAL BUSINESS

19,684

## **RESIDENCE**

ONE-PARTY BASIC

TWO PARTY BASIC

FOUR PARTY BASIC

MEASURED SERVICE

TOTAL ALL OTHER

TOTAL RESIDENCE

37,046

TOTAL ACCESS LINES

56,730

TOTAL NUMBER OF CUSTOMERS

53,794

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

---

In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

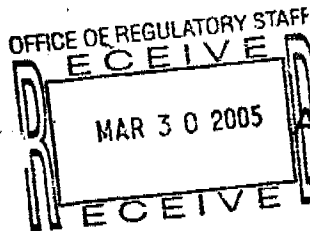
**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-5**

**Cited Portions of Rock Hill's 2004 Telecommunications Company Annual Report**



PUBLIC SERVICE COMMISSION  
AND OFFICE OF REGULATORY STAFF

## ANNUAL REPORT

(Complete and Return with Annual Report)

☒ For Calendar Year Ending December 31, 2004

☐ For Fiscal Year Ending \_\_\_\_\_

### IDENTIFICATION (legal title)

PSC/ORS No. \_\_\_\_\_ (leave blank) Federal ID No. 57-0236160

Check/Date: ☐ Sole Proprietorship ☐ Partnership ☒ Corporation \_\_\_\_\_

Name of Company: Rock Hill Telephone Company

Doing Business As: Comporium Communications

Street Address: 330 East Black Street

City Rock Hill State SC Zip Code 29731

Telephone No. (Include Area code) ( 803 ) 326-6064

### TYPE BUSINESS (CHECK ALL THAT APPLY)

<input type="checkbox"/> CLEC	<input type="checkbox"/> ELECTRIC	<input type="checkbox"/> WATER	<input type="checkbox"/> TAXI
<input checked="" type="checkbox"/> ILEC	<input type="checkbox"/> GAS	<input type="checkbox"/> WATER/SEWER	<input type="checkbox"/> LIMOUSINE
<input type="checkbox"/> IXC	<input type="checkbox"/> RAILROAD	<input type="checkbox"/> SEWERAGE	<input type="checkbox"/> SHUTTLE
<input type="checkbox"/> HOUSEHOLD GOODS	<input type="checkbox"/> HAZARDOUS WASTE		

### CONTACT (for purpose of this report)

Contact Name: Robert Morgan

Title: VP Accounting Telephone: (803 ) 326-6064

Email Address: bob.morgan@comporium.com Fax No. (803)326-7246

**Schedule #2-Operating Revenue & Expenses**

**Year Ending December 31, 2004 or Fiscal Year Ending**

<b>Operating Revenues:</b>		<b>Combined</b>	<b>Intrastate Gross Receipts</b>
Local Network Services Revenue	5001-5069	17,965,918	16,745,184
Network Access Service Revenues	5080	16,162,165	16,162,165
Long Distance Revenues	5100-5169	1,058,544	963,481
Miscellaneous Revenues	5230-5270	4,343,405	620,255
Uncollectible Revenues	5301-5302	(104,155)	0
<b>Total Revenues</b>		<b>39,425,877</b>	<b>34,491,085</b>
<b>Operating Expenses:</b>			
Plant Specific Expenses	6112-6410	5,868,562	
Plant Nonspecific Expenses	6560	14,876,218	
Customer Operations Expenses	6620	4,686,988	
Corporate Operations Expenses	6711-6790	5,816,910	
Operating Taxes other than Income	7240	2,035,379	
Operating Investment Tax Credits-Net	7210	0	
Operating Taxes-Income-Current-Federal	7220	1,900,000	
Operating Taxes-Income-Current-State	7230	292,000	
Operating Taxes-Deferred Income-Net	7250	(309,000)	
<b>Total Operations Expenses</b>		<b>35,167,057</b>	
<b>Net Income from Operations</b>		<b>4,258,820</b>	
Interest Income	7320	295,538	
Nonoperating Income and Expenses	7310-7450	10,301,701	
Fixed Charges-(Other Than Interest on Debt)	7540	104,575	
Interest Expense on Funded Debt	7510	3,299,342	
<b>Non-regulated Net Income</b>	<b>7610-7991</b>	<b>4,820,824</b>	
<b>Net Income</b>		<b>16,272,966</b>	



Schedule #3-Balance Sheet  
Company: Rock Hill Telephone Company  
Date of Balance Sheet: 12/31/2004

Assets:

<u>Balance at Beginning of Year</u>	<u>Description</u>	<u>Balance at Close of Year</u>
	<u>Telecommunications Plant</u>	
157,902,926	Telephone Plant in Service	157,928,657
226,051	Property Held for Future Use	226,051
2,977,241	Telecommunications Plant under Construction	4,425,121
0	Telecommunicatons Plant Adjustment	0
0	Non-Operating Plant	0
0	Goodwill	0
161,106,218	Total Plant	162,579,829
102,659,303	Depreciation Reserve-Plant	106,583,479
44,872	Depreciation Reserve-Other	48,136
102,704,175	Total Depreciation Reserve	106,631,615
58,402,043	Net Telecommunications Plant	55,948,214
	<u>Non-Current Assets</u>	
29,366,820	Investments in Affiliated Companies	128,918,111
396,050	Investment in Non-Affiliated Companies	621,466
16,934,838	Non-Regulated Investments	17,370,571
15,905,413	Other Non-Current Assets	19,813,443
62,603,121	Total Non-Current Assets	166,723,591
	<u>Current Assets</u>	
1,001,975	Cash	2,951,145
35,017,128	Temporary Investments	140,133
3,354,230	Telecommunications Accounts Receivables	3,795,798
(325,000)	Allowance for Bad Debts	(300,000)

## Schedule #3-Balance Sheet-Continued

## Assets-Continued:

<u>Balance at Beginning of Year</u>	<u>Description</u>	<u>Balance at Close of Year</u>
	<u>Current Assets-Continued</u>	
4,745,064	Interest, Dividends & Other Accounts Receivable	5,530,847
2,612,084	Notes Receivable-Net	4,697,084
432,267	Materials & Supplies Inventory	689,879
46,837,748	Total Current Assets	17,444,886
	<u>Prepaid Accounts &amp; Deferred Charges</u>	
1,944,891	Prepays	4,197,553
336,861	Deferred Charges	381,180
2,281,752	Total Prepaid Accounts & Deferred Charges	4,578,733
170,124,664	Total Assets	244,695,424
	<u>Stockholders Equity</u>	
2,447,600	Capital Stock	2,447,600
1,732,516	Additional Paid in Capital	1,732,516
0	Treasury Stock	0
2,126,000	Other Capital	4,153,000
124,322,196	Retained Earnings	133,289,076
130,528,312	Total Stockholders Equity	141,622,192
	<u>Long Term Debt</u>	
16,000,000	Funded Debt	55,710,137
0	Reacquired Debt	0
0	Obligations Under Capital Leases	0
0	Advances from Affiliated Companies	15,000,000
0	Other Long Term Debt	0

## Schedule #3-Balance Sheet-Continued

## Equity and Liabilities-Continued:

<u>Balance at Beginning of Year</u>	<u>Description</u>	<u>Balance at Close of Year</u>
16,000,000	Total Long Term Debt	55,710,137
	<u>Current and Accrued Liabilities</u>	
4,697,447	Accounts Payable	4,516,279
922,557	Notes Payable	0
1,086,824	Advance Billings and Payments	1,116,859
324,635	Customer Deposits	286,857
4,000,000	Current Maturities-Long Term Debt	10,000,000
0	Current Maturities-Capital Leases	0
0	Income Taxes Accrued	0
2,320,947	Other Accrued Taxes	2,373,905
5,175,761	Other Accrued Liabilities	7,537,092
0	Other Current Liabilities	0
18,528,171	Total Current and Accrued Liabilities	40,830,992
	<u>Other Liabilities and Deferred Credits</u>	
0	Other Long Term Liabilities	0
0	Premium on Long Term Debt	0
0	Unamortized Operating Investment Tax Credits-Net	0
0	Unamortized Nonoperating Investment Tax Credits-Net	0
3,244,181	Other Deferred Credits	3,225,103
0	Net Current Deferred Operating Income Taxes	0
0	Net Current Deferred Nonoperating Income Taxes	0
(2,407,000)	Net Noncurrent Deferred Operating Income Taxes	(2,719,000)
4,131,000	Net Noncurrent Deferred Nonoperating Income Taxes	6,026,000
0	Other Jurisdictional Liabilities and Deferred Credits	0

**Schedule #3-Balance Sheet-Continued**

**Equity and Liabilities-Continued:**

<u>Balance at Beginning of Year</u>	<u>Description</u>	<u>Balance at Close of Year</u>
4,968,181	Total Other Liabilities and Deferred Credits	6,532,103
23,496,352	Total Liabilities and Other Credits	47,363,095
170,124,664	Total Stockholders Equity and Liabilities	244,695,424

**Schedule #4-Retained Earnings**

<b>Description</b>	<b>Debits</b>	<b>Credits</b>
Retained Earnings Account		
Retained Earnings-Beginning of Year		124,322,196
Miscellaneous Debits to Retained Earnings		
Miscellaneous Credits to Retained Earnings		
Net Income or Loss From Operations		16,272,966
Retained Earnings-End of Year		
Appropriated Retained Earnings:		
Dividends Declared	7,306,086	
Other		
Unappropriated Retained Earnings:		
Jurisdictional Retained Earnings		
Other		
Retained Earnings-Total End of Year		133,289,076



**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-6**

**Cited Portions of Rock Hill's 2005 Telecommunications Company Annual Report**

# TELECOMMUNICATIONS COMPANY ANNUAL REPORT

OF

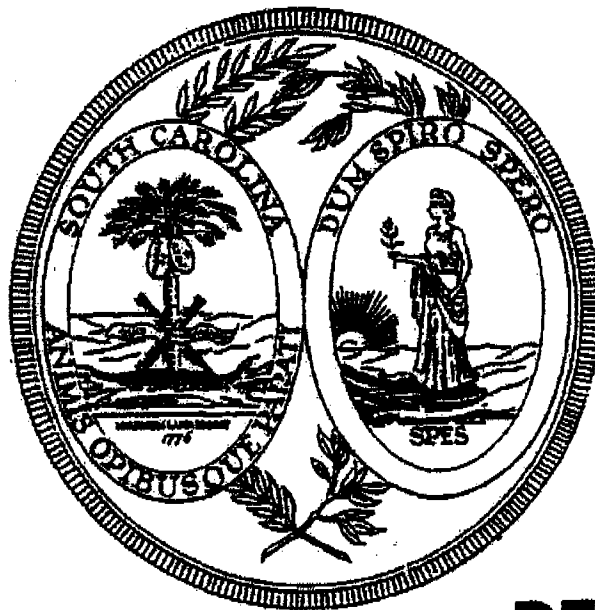
**Rock Hill Telephone Company dba**  
**Comporium Communications**

**Exact Legal Name of Respondent****PSC/ORS Number (leave blank)****FOR THE YEAR ENDED 2005**

**[X] Calendar Year Ending December 31, 2005**

of

**[ ] Fiscal Year Ending** \_\_\_\_\_



# REVISED



## Company Information

### Identification and Contact Information

Federal ID No. 57-0236160

Check/ Date: ☐ Sole Proprietorship ☐ Partnership ☒ Corporation 1894

Name of Company: Rock Hill Telephone Company

Doing Business As: Comporium Communications

Street Address: 330 East Black Street

City: Rock Hill State: South Carolina Zip: 29730

Telephone Number: (803) 324-9011

### Type of Business

☐ CLEC

☒ ILEC

☐ IXC

### Contact (for purposes of this report)

Contact Name: Robert Morgan

Title: Vice President Accounting

Street Address: 330 East Black Street

City: Rock Hill State: South Carolina Zip: 29730

Telephone Number: (803) 326-6064

E-mail: bob.morgan@comporium.com

### Company Officers

Title of Officer	Name of Person Holding Office
President	Bryant G. Barnes
Vice-President	
Secretary	E. L. Barnes
Treasurer	E. L. Barnes
Gen. Manager or Supt.	

### Contact Information (If different from above)

Contact Name:	_____		
Title:	_____		
Street Address:	_____		
City:	State:	Zip:	
_____	_____	_____	
Telephone Number: ( )	E-mail:		
_____	_____		

**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #1-Operating Revenue & Expenses**

Year Ending December 31, 2005

<b>Operating Revenues:</b>	<b><u>Uniform System of Accounts</u></b>	<b><u>G/L Accounts</u></b>	<b><u>Combined</u></b>	<b><u>Intrastate</u></b>
Local Network Service Revenues	5001-5069		17,546,605	16,394,999
Network Access Service Revenues	5080		16,119,480	16,119,480
Long Distance Revenues	5100-5169		882,085	788,053
Miscellaneous Revenues	5230-5270		4,378,733	614,239
Uncollectible Revenues	5301-5302		(128,958)	0
<b>Total Revenues</b>			<b>38,797,945</b>	<b>33,916,771</b>
<b>Operating Expenses:</b>				
Plant Specific Expenses	6112-6410		5,987,578	0
Plant Nonspecific Expenses	6560		13,267,295	0
Customer Operations Expenses	6620		4,992,039	0
Corporate Operations Expenses	6711-6790		6,842,647	0
Operating Taxes other than Income	7240		2,000,685	0
Operating Investment Tax Credits-Net	7210		0	0
Operating Taxes-Income-Current-Federal	7220		1,905,000	0
Operating Taxes-Income-Current-State	7230		293,000	0
Operating Taxes-Deferred Income-Net	7250		(453,000)	0
<b>Total Operations Expenses</b>			<b>34,835,244</b>	<b>0</b>
<b>Net Income from Operations</b>			<b>3,962,701</b>	<b>0</b>
Interest Income	7320		231,202	0
Nonoperating Income and Expenses	7310-7450		11,888,878	0
Fixed Charges-(Other Than Interest on Debt)			50,973	0
Interest Expense on Funded Debt	7510		4,228,312	0
<b>Non-regulated Net Income</b>	<b>7610-7991</b>		<b>3,226,570</b>	<b>0</b>
Extraordinary Items			0	0
<b>Net Income</b>			<b>15,030,066</b>	<b>0</b>

**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #2- Balance Sheet**

Date of Balance Sheet: December 31, 2005

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Current Assets</u></b>		
Cash		2,836,434
Temporary Investments		141,096
Telecommunications Accounts Receivables		5,300,193
Allowance for Bad Debts		(300,000)
Interest, Dividends & Other Accounts Receivable		7,479,386
Notes Receivable-Net		4,962,084
Materials & Supplies Inventory		1,512,830
Other Current Assets		0
<b>Total Current Assets</b>		<b>21,932,023</b>
<b><u>Prepaid Accounts &amp; Deferred Charges</u></b>		
Prepays		725,296
Deferred Charges		268,943
<b>Total Prepaid Accounts &amp; Deferred Charges</b>		<b>994,239</b>
<b><u>Non-Current Assets</u></b>		
Investments in Affiliated Companies		130,304,104
Investment in Non-Affiliated Companies		720,681
Non-Regulated Investments		18,089,568
Other Non-Current Assets		17,427,920
<b>Total Non-Current Assets</b>		<b>166,542,273</b>
<b><u>Telecommunications Plant</u></b>		
Telephone Plant in Service		165,457,486
Property Held for Future Use		226,051
Telecommunications Plant under Construction		2,303,768
Telecommunications Plant Adjustment		0

**Schedule #2- Balance Sheet-Continued**

<b>Description</b>	<b>G/L Accounts</b>	<b>Balance at Close of Year</b>
<b><u>Telecommunications Plant-Continued</u></b>		
Non-Operating Plant		0
Goodwill		0
Total Plant		167,987,306
Depreciation Reserve-Plant		113,685,830
Depreciation Reserve-Other		48,933
Total Depreciation Reserve		113,734,763
Net Telecommunications Plant		54,252,542
Total Assets		243,721,077
<b><u>Current and Accrued Liabilities</u></b>		
Accounts Payable		5,470,405
Notes Payable-Affiliated		0
Advance Billings and Payments		1,209,918
Customer Deposits		259,495
Current Maturities-Long Term Debt		8,000,000
Current Maturities-Capital Leases		0
Income Taxes Accrued		1,525,170
Other Accrued Taxes		2,300,585
Other Accrued Liabilities		6,525,590
Other Current Liabilities		0
Total Current and Accrued Liabilities		25,291,163
<b><u>Other Liabilities and Deferred Credits</u></b>		
Other Long Term Liabilities		0
Premium on Long Term Debt		0
Unamortized Operating Investment Tax Credits-Net		0

**Schedule #2- Balance Sheet-Continued**

<b>Description</b>	<b>G/L Accounts</b>	<b>Balance at Close of Year</b>
<b><u>Other Liabilities and Deferred Credits-Continued</u></b>		
Unamortized Nonoperating Investment Tax Credits-Net		0
Other Deferred Credits		3,718,766
Net Current Deferred Operating Income Taxes		0
Net Current Deferred Nonoperating Income Taxes		0
Net Noncurrent Deferred Operating Income Taxes		(3,172,000)
Net Noncurrent Deferred Nonoperating Income Taxes		5,654,000
Other Jurisdictional Liabilities and Deferred Credits		0
<b>Total Other Liabilities and Other Credits</b>		<b>6,200,766</b>
<b><u>Long Term Debt</u></b>		
Funded Debt		48,314,574
Reacquired Debt		0
Obligations Under Capital Leases		0
Advances from Affiliated Companies		15,000,000
Other Long Term Debt		0
<b>Total Long Term Debt</b>		<b>63,314,574</b>
<b>Total Liabilities</b>		<b>94,806,503</b>
<b><u>Stockholders Equity</u></b>		
Capital Stock		4,895,200
Additional Paid in Capital		1,732,516
Treasury Stock		0
Other Capital		2,806,000
Retained Earnings		139,480,858
<b>Total Stockholders Equity</b>		<b>148,914,574</b>
<b>Total Stockholders Equity and Liabilities</b>		<b>243,721,077</b>

**Schedule #3-Retained Earnings**

<b>Description</b>	<b>Debits</b>	<b>Credits</b>
<b>Retained Earnings Account</b>		<b>133,289,076</b>
<b>Retained Earnings-Beginning of Year</b>		
<b>Miscellaneous Debits to Retained Earnings</b>	<b>2,447,600</b>	
<b>Miscellaneous Credits to Retained Earnings</b>		
<b>Net Income or Loss From Operations</b>		<b>15,030,066</b>
<b>Retained Earnings-End of Year</b>		
<b>Appropriated Retained Earnings:</b>		
<b>Dividends Declared</b>	<b>6,390,684</b>	
<b>Other</b>		
<b>Unappropriated Retained Earnings:</b>		
<b>Jurisdictional Retained Earnings</b>		
<b>Other</b>		
<b>Retained Earnings-Total End of Year</b>		<b>139,480,858</b>

Schedule #4-Expenditures for Plant and Equipment

<u>Description</u>	<u>Balance at Beginning of Year</u>	<u>Retirements during the Year</u>	<u>Additions during the Year</u>	<u>Balance at End of the Year</u>
Land	2,367,500	0	0	2,367,500
Motor Vehicles	4,722,469	290,206	617,683	5,049,946
Aircraft	0	0	0	0
Special Purpose Vehicles	0	0	0	0
Garage Work Equipment	10,894	536	4,100	14,458
Other Work Equipment	1,928,104	229,720	330,884	2,029,268
Buildings	24,606,944	0	2,708,249	27,315,193
Furniture	2,469,793	17,637	80,887	2,533,043
Office Equipment	527,174	46,728	25,412	505,858
General Purpose Computers	4,219,331	277,330	487,306	4,429,307
Analog Electronic Switching	0	0	0	0
Digital Electronic Switching	39,647,101	574,552	987,700	40,060,249
Electromechanical Switching	0	0	0	0
Operator Systems	1,523,287	0	0	1,523,287
Radio Systems	0	0	0	0
Circuit Equipment	13,898,567	136,648	1,464,623	15,226,542
Station Apparatus	0	0	0	0
Customer Premises Equipment	0	0	0	0
Large Private Branch Exchange	0	0	0	0
Public Telephone Terminal Equip.	0	0	0	0
Other Terminal Eq.	0	0	0	0
Poles	2,206,741	29,991	47,163	2,223,913



Schedule #4-Expenditures for Plant and Equipment-Continued

<u>Description</u>	<u>Balance at Beginning of Year</u>	<u>Retirements during the Year</u>	<u>Additions during the Year</u>	<u>Balance at End of the Year</u>
Arial Cable-Metallic	11,801,927	279,393	235,690	11,758,224
Arial Cable-Nonmetallic	1,231,083	27,249	134,806	1,338,640
Underground Cable-Metallic	3,995,059	33,608	51,857	4,013,308
Underground Cable-Nonmetallic	1,439,863	1,443	284,346	1,722,766
Buried Cable-Metallic	33,744,486	140,001	995,063	34,599,548
Buried Cable-Nonmetallic	4,155,993	36,880	590,301	4,709,414
Submarine Cable-Metallic	0	0	0	0
Submarine Cable-Nonmetallic	0	0	0	0
Deep Sea Cable	0	0	0	0
Intrabuilding Network Cable:	0	0	0	0
Metallic	0	0	0	0
Nonmetallic	193,917	0	606,084	800,001
Aerial Wire	317,441	6,726	2,616	313,331
Conduit System	2,872,050	0	2,706	2,874,756
Capital Leases	0	0	0	0
Leasehold Improvements	48,933	0	0	48,933
Intangibles	0	0	0	0
Total Telecommunications Plant in Service	157,928,657	2,128,648	9,657,476	165,457,485
Property Held for Future Use	226,051	0	0	226,051
CWIP-Short Term	4,425,121	0	(2,121,353)	2,303,768
CWIP-Long Term	0	0	0	0

Schedule #4-Expenditures for Plant and Equipment-Continued

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Retirements</u> <u>during the Year</u>	<u>Additions</u> <u>during the Year</u>	<u>Balance at End</u> <u>of the Year</u>
<u>Description</u>				
Telecommunications Plant Adjustment	0	0	0	0
Non Operating Plant	0	0	0	0
Goodwill	0	0	0	0
Total Expenditures for Plant and Equipment	162,579,829	2,128,648	7,536,123	167,987,304

Schedule #5-Approved Year End Depreciation Rates (%)

Description	Acct #	Rate (%)
Motor Vehicles	2112	12.00%
Aircraft	2113	0.00%
Special Purpose Vehicles	2114	0.00%
Garage Work Equipment	2115	7.00%
Other Work Equipment      Network	2116	10.00%
Other Work Equipment      Plant	2116	7.00%
Other Work Equipment      Cell set in co. veh.	2116	13.80%
Other Work Equipment      Other	2116	13.80%
Buildings	2121	2.80%
Furniture	2122	7.00%
Office Equipment	2123	7.00%
General Purpose Computers	2124	17.60%
Analog Electronic Switching	2211	0.00%
Digital Electronic Switching      Centrex	2212	15.30%
Digital Electronic Switching      CO	2212	9.50%
Electromechanical Switching	2215	0.00%
Operator Systems	2220	7.90%
Radio Systems	2231	0.00%
Circuit Equipment      Sub Carrier	2232	10.10%
Circuit Equipment      Trunk Carrier	2232	12.20%
Circuit Equipment      Span Line	2232	10.10%
Circuit Equipment      DSLAM	2232	20.00%
Circuit Equipment      LW Elec(Presonet)	2232	10.80%
Circuit Equipment      LW Elec(Sonet)	2232	10.80%
Circuit Equipment      Other Circuit	2232	10.10%
Circuit Equipment      FTTP Core Elect.	2232	14.30%
Station Apparatus	2311	0.00%
Large Private Branch Exchange	2341	0.00%
Public Telephone Terminal Equip.	2351	0.00%
Other Terminal Eq.	2362	0.00%
Poles	2411	6.10%
Arial Cable-Metallic	2421	7.00%
Arial Cable-Nonmetallic	2421	6.60%
Underground Cable-Metallic	2422	7.40%
Underground Cable-Nonmetallic	2422	6.60%
Buried Cable-Metallic	2423	7.80%
Buried Cable-Nonmetallic	2423	6.60%
Submarine Cable-Metallic	2424	0.00%
Submarine Cable-Nonmetallic	2424	0.00%
Deep Sea Cable	2425	0.00%
Intrabuilding Network Cable-Metallic	2426	0.00%
Fiber to the Premise	2426	6.70%
Aerial Wire	2431	9.80%
Conduit System	2441	2.60%
Capital Leases	2601	0.00%
Leasehold Improvements	2682	6.70%
Intangibles	2690	0.00%
Composite Rate for all Depreciable Plant		5.69%
Composite Rate for Plant Accounts		5.60%

## Schedule #6-Depreciation Reserve Analysis

Give particulars of Credits and Debits to Account #3100, Accumulated Depreciation

Description	Acct #	Beg. Bal.	Deprec.	Cost of Asset Retired	Cost of Removal	Salvage Value	Other	Bal. End.
Motor Vehicles	2112	3,496,599	549,767	290,206	0	47,911		3,804,071
Aircraft	2113	0	0	0	0	0	0	0
Special Purpose Vehicles	2114	0	0	0	0	0	0	0
Garage Work Equipment	2115	10,894	144	536	0	0	0	10,502
Other Work Equipment	2116	1,222,598	107,752	229,720	0	108,080	0	1,208,710
Buildings	2121	7,065,708	726,910	0	0	0	0	7,792,618
Furniture	2122	991,868	175,099	17,637	0	0	0	1,149,330
Office Equipment	2123	104,645	36,156	46,728	0	0	0	94,073
General Purpose Computers	2124	3,125,381	334,598	277,330	0	1,847	0	3,184,496
Analog Electronic Switching	2211	0	0	0	0	0	0	0
Digital Electronic Switching	2212	36,125,140	1,759,944	574,552	3,083	0	0	37,307,449
Electromechanical Switching	2215	0	0	0	0	0	0	0
Operator Systems	2220	927,897	94,186	0	0	0	0	1,022,083
Radio Systems	2231	0	0	0	0	0	0	0
Circuit Equipment	2232	11,589,467	861,463	136,648	13,580	55,159	0	12,355,861
Station Apparatus	2311	0	0	0	0	0	0	0
Large Private Branch Exchange	2341	0	0	0	0	0	0	0
Public Telephone Terminal Equip.	2351	0	0	0	0	0	0	0
Other Terminal Eq.	2362	0	0	0	0	0	0	0
Poles	2411	1,508,307	135,135	29,991	35,454	15,574	0	1,593,571
Aerial Cable-Metallic	2421	9,663,128	824,805	279,393	20,382	16,008	0	10,203,966
Aerial Cable-Nonmetallic	2421	623,755	84,801	27,248	311	3,382	0	684,378
Underground Cable-Metallic	2422	3,702,575	198,455	33,608	1,076	0	0	3,868,346
Underground Cable-Nonmetallic	2422	763,968	104,367	1,443	0	0	0	868,892
Buried Cable-Metallic	2423	21,663,875	2,665,417	140,001	2,303	0	0	24,186,988
Buried Cable-Nonmetallic	2423	2,401,816	292,559	36,880	0	0	0	2,657,495
Submarine Cable-Metallic	2424	0	0	0	0	0	0	0
Submarine Cable-Nonmetallic	2424	0	0	0	0	0	0	0
Deep Sea Cable	2425	0	0	0	0	0	0	0
Intrabuilding Network Cable-Metallic	2426	0	0	0	0	0	0	0
Fiber to the Premise	2426	6,406	32,877	0	0	0	0	39,283
Aerial Wire	2431	315,930	1,616	6,726	1,332	0	0	309,488
Conduit System	2441	1,273,522	74,708	0	0	0	0	1,348,230
Depreciation Inbalance	9000	0	0	0	0	0	0	-
Total	3100	106,583,479	9,060,559	2,128,648	77,521	247,961	-	113,685,830
Property Held for Future Use	3200	0	0	0	0	0	0	0
Nonoperating Plant	3300	0	0	0	0	0	0	0
Capital Leases	3410	0	0	0	0	0	0	0
Leasehold Improvements	3500	48,136	797	0	0	0	0	48,933
Total		106,631,615	9,061,356	2,128,648	77,521	247,961	0	113,734,763

**Schedule #7-Access Lines**

<b>Total Business</b>	<b><u>19,197</u></b>
<b>Total Residence</b>	<b><u>35,196</u></b>
<b>Total Access Lines</b>	<b><u>54,393</u></b>
<b>Total Number of Customers</b>	<b><u>51,946</u></b>
<b>Total Wholesale Customers</b>	<b><u>84</u></b>
<b>Total Wholesale DSL Customers</b>	<b><u>1</u></b>

**List any kind of investments your Company had, at the close of the business year, outside of plant and equipment devoted to telephone and miscellaneous operations. Give full description of each investment:**

[illegible][illegible]

Affidavit

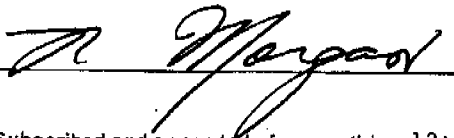
State of South Carolina

County of York

I, Robert Morgan of the

Rock Hill Telephone Company

hereby certify that the foregoing Annual Report was prepared by me or under my supervision, that I have examined it, and that the items herein reported on the basis of my knowledge are correctly shown.

 Signature

Subscribed and sworn to before me this 13th day of June, 2006

Brendie T. Hayslett Notary Public

Commission Expires My Commission Expires  
January 26, 2010

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-7**

**Cited Portions of Rock Hill's 2006 Telecommunications Company Annual Report**



# TELECOMMUNICATIONS COMPANY ANNUAL REPORT

OF

**Rock Hill Telephone Company dba**

**Comporium Communications**

Exact Legal Name of Respondent

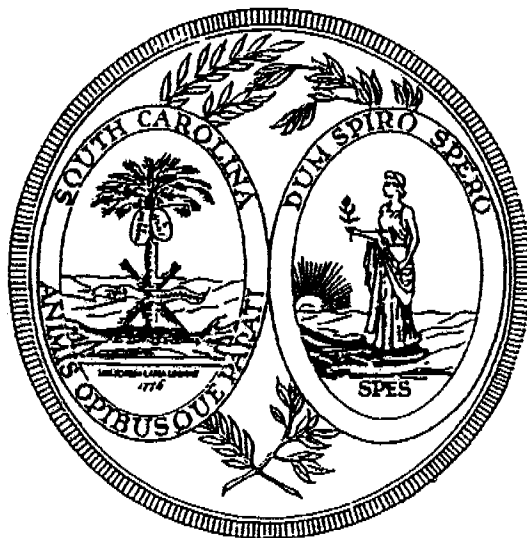
PSC/ORS Number (leave blank) \_\_\_\_\_

**FOR THE YEAR ENDED 2006**

☒ Calendar Year Ending December 31, 2006

or

☐ Fiscal Year Ending \_\_\_\_\_



**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #1-Operating Revenue & Expenses**

Year Ending December 31, 2006

<u>Operating Revenues:</u>	<u>Uniform System of Accounts</u>	<u>G/L Accounts</u>	<u>Combined</u>	<u>Intrastate</u>
Local Network Service Revenues	5001-5069		17,542,041	16,413,810
Network Access Service Revenues	5080		15,797,618	15,797,618
Long Distance Revenues	5100-5169		728,548	635,405
Miscellaneous Revenues	5230-5270		4,382,455	553,200
Uncollectible Revenues	5301-5302		(88,899)	
<b>Total Revenues</b>			<b>38,361,763</b>	<b>33,400,033</b>
<u>Operating Expenses:</u>				
Plant Specific Expenses	6112-6410		6,515,347	
Plant Nonspecific Expenses	6560		11,964,536	
Customer Operations Expenses	6620		5,031,291	
Corporate Operations Expenses	6711-6790		7,276,037	
Operating Taxes other than Income	7240		2,064,382	
Operating Investment Tax Credits-Net	7210			
Operating Taxes-Income-Current-Federal	7220		2,185,000	
Operating Taxes-Income-Current-State	7230		328,000	
Operating Taxes-Deferred Income-Net	7250		(673,000)	
<b>Total Operations Expenses</b>			<b>34,691,593</b>	
<b>Net Income from Operations</b>			<b>3,670,170</b>	
Interest Income	7320		588,316	
Nonoperating Income and Expenses	7310-7450		27,520,606	
Fixed Charges-(Other Than Interest on Debt)			129,221	
Interest Expense on Funded Debt	7510		3,188,422	
<b>Non-regulated Net Income</b>	<b>7610-7991</b>		<b>2,393,201</b>	
Extraordinary Items				
<b>Net Income</b>			<b>30,854,650</b>	

**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
Schedule #2- Balance Sheet

Date of Balance Sheet: December 31, 2006

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Current Assets</u></b>		
Cash		12,620,192
Temporary Investments		3,905,023
Telecommunications Accounts Receivables		5,624,523
Allowance for Bad Debts		(540,000)
Interest, Dividends & Other Accounts Receivable		6,741,148
Notes Receivable-Net		2,000,000
Materials & Supplies Inventory		1,886,460
Other Current Assets		
<b>Total Current Assets</b>		<b>32,237,346</b>
<b><u>Prepaid Accounts &amp; Deferred Charges</u></b>		
Prepays		997,148
Deferred Charges		930,073
<b>Total Prepaid Accounts &amp; Deferred Charges</b>		<b>1,927,221</b>
<b><u>Non-Current Assets</u></b>		
Investments in Affiliated Companies		124,198,844
Investment in Non-Affiliated Companies		872,181
Non-Regulated Investments		19,575,286
Other Non-Current Assets		18,227,709
<b>Total Non-Current Assets</b>		<b>162,874,020</b>
<b><u>Telecommunications Plant</u></b>		
Telephone Plant in Service		175,887,446
Property Held for Future Use		226,051
Telecommunications Plant under Construction		1,102,282
Telecommunications Plant Adjustment		

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Telecommunications Plant-Continued</u></b>		
Non-Operating Plant		
Goodwill		
Total Plant		177,215,779
Depreciation Reserve-Plant		119,749,993
Depreciation Reserve-Other		48,933
Total Depreciation Reserve		119,798,926
Net Telecommunications Plant		57,416,853
Total Assets		254,455,440
<b><u>Current and Accrued Liabilities</u></b>		
Accounts Payable		8,269,469
Notes Payable-Affiliated		
Advance Billings and Payments		1,283,886
Customer Deposits		220,504
Current Maturities-Long Term Debt		8,000,000
Current Maturities-Capital Leases		
Income Taxes Accrued		3,240,876
Other Accrued Taxes		2,350,758
Other Accrued Liabilities		6,497,736
Other Current Liabilities		
Total Current and Accrued Liabilities		29,863,229
<b><u>Other Liabilities and Deferred Credits</u></b>		
Other Long Term Liabilities		
Premium on Long Term Debt		
Unamortized Operating Investment Tax Credits-Net		

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Other Liabilities and Deferred Credits-Continued</u></b>		
Unamortized Nonoperating Investment Tax Credits-Net		
Other Deferred Credits		4,435,489
Net Current Deferred Operating Income Taxes		
Net Current Deferred Nonoperating Income Taxes		
Net Noncurrent Deferred Operating Income Taxes		(3,845,000)
Net Noncurrent Deferred Nonoperating Income Taxes		4,480,000
Other Jurisdictional Liabilities and Deferred Credits		
Total Other Liabilities and Other Credits		5,070,489
<b><u>Long Term Debt</u></b>		
Funded Debt		30,808,000
Reacquired Debt		
Obligations Under Capital Leases		
Advances from Affiliated Companies		15,000,000
Other Long Term Debt		
Total Long Term Debt		45,808,000
Total Liabilities		80,741,718
<b><u>Stockholders Equity</u></b>		
Capital Stock		4,895,200
Additional Paid in Capital		1,732,516
Treasury Stock		
Other Capital		3,173,000
Retained Earnings		163,913,006
Total Stockholders Equity		173,713,722
Total Stockholders Equity and Liabilities		254,455,440

**Schedule #3-Retained Earnings**

<b>Description</b>	<b>Debits</b>	<b>Credits</b>
Retained Earnings Account		139,480,858
Retained Earnings-Beginning of Year		
Miscellaneous Debits to Retained Earnings		
Miscellaneous Credits to Retained Earnings		
Net Income or Loss From Operations		30,854,650
Retained Earnings-End of Year		
Appropriated Retained Earnings:		
Dividends Declared	6,422,502	
Other		
Unappropriated Retained Earnings:		
Jurisdictional Retained Earnings		
Other		
Retained Earnings-Total End of Year		163,913,006

**Schedule #7-Access Lines**

<b>Total Business</b>	<u>19053</u>
<b>Total Residence</b>	<u>34087</u>
<b>Total Access Lines</b>	<u>53140</u>
<b>Total Number of Customers</b>	<u>50713</u>
<b>Total Wholesale Customers</b>	<u>30</u>
<b>Total Wholesale DSL Customers</b>	<u>0</u>

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2008-329-C**

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In Re: Application of Time Warner Cable Information	)
Services (South Carolina) LLC, d/b/a Time	)
Warner Cable to Amend its Certificate of Public	)
Convenience and Necessity to Provide	)
Telephone Services in the Service Area of	)
Rock Hill Telephone Company d/b/a Comporium	)
Communications and for Alternative Regulation	)

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**DIRECT TESTIMONY OF**

**WARREN R. FISCHER, C.P.A.**

**ON BEHALF OF**

**TIME WARNER CABLE INFORMATION SERVICES (SOUTH CAROLINA) LLC**

**EXHIBIT WRF-8**

**Cited Portions of AT&T South Carolina's 2007 Telecommunications Company Annual Report**



# TELECOMMUNICATIONS COMPANY ANNUAL REPORT

OF

BellSouth Telecommunications, Inc.

DBA: AT&T South Carolina

Exact Legal Name of Respondent

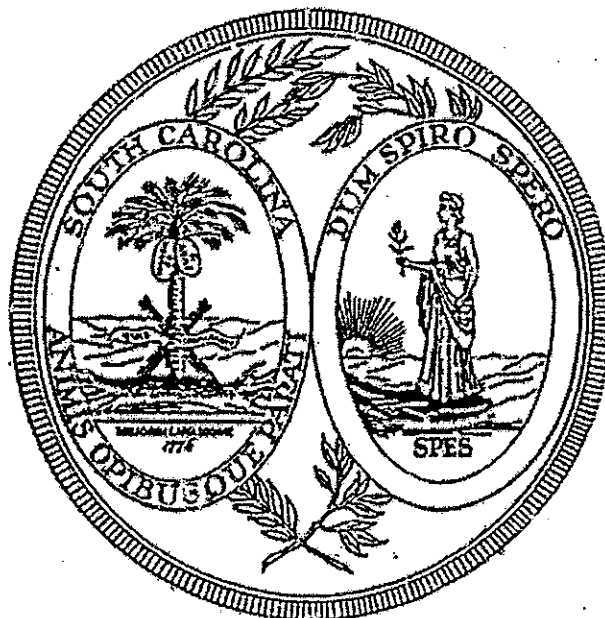
PSC/ORS Number (leave blank)

**FOR THE YEAR ENDED 2007**

☒ Calendar Year Ending December 31, 2007

or

☐ Fiscal Year Ending \_\_\_\_\_



**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #1-Operating Revenue & Expenses**

Year Ending December 31, 2007

<u>Operating Revenues:</u>	<u>Uniform System of Accounts</u>	<u>G/L Accounts</u>	<u>Combined</u>	<u>Intrastate</u>
Local Network Service Revenues	5001-5069	5000	474,968,464	474,968,464
Network Access Service Revenues	5080	5080	289,406,195	43,721,804
Long Distance Revenues	5100-5169	5100	21,914,109	21,682,309
Miscellaneous Revenues	5230-5270	5200	257,603,430	91,472,655
Uncollectible Revenues	5301-5302	5300	(13,633,008)	(8,544,589)
<b>Total Revenues</b>			<b>1,030,259,190</b>	<b>623,300,643</b>
<u>Operating Expenses:</u>				
Plant Specific Expenses	6112-6410	6112-6441	139,676,252	
Plant Nonspecific Expenses	6560	6511-6560	342,263,577	
Customer Operations Expenses	6610-6620	6611-6623	103,745,205	
Corporate Operations Expenses	6711-6790	6720-7100	83,980,579	
Operating Taxes other than Income	7240	7240	48,896,901	
Operating Investment Tax Credits-Net	7210	7210	(11)	
Operating Taxes-Income-Current-Federal	7220	7220	103,362,728	
Operating Taxes-Income-Current-State	7230	7230	11,843,793	
Operating Taxes-Deferred Income-Net	7250	7250	(7,273,526)	
<b>Total Operations Expenses</b>			<b>826,495,498</b>	
<b>Net Income from Operations</b>			<b>203,763,692</b>	
Interest Income	7320	7300.1200	37,638	
Nonoperating Income and Expenses	7310-7450	7300-7400 Less 7300.1200	(85,124,465)	
Fixed Charges-(Other Than Interest on Debt)		7500 Less 7500.1000	20,260,833	
Interest Expense on Funded Debt	7510	7500.1000	9,157,586	
<b>Non-regulated Net Income</b>	<b>7610-7991</b>	<b>7600-7990</b>	<b>0</b>	
Extraordinary Items				
<b>Net Income</b>			<b>89,258,446</b>	

**LOCAL EXCHANGE CARRIER ANNUAL REPORT**  
**Schedule #2- Balance Sheet**

Date of Balance Sheet: December 31, 2007

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Current Assets</u></b>		
Cash	1120	0
Temporary Investments	1120.6000	0
Telecommunications Accounts Receivables (See End Note C)	1170	N/A
Allowance for Bad Debts (See End Note C)	1171	N/A
Interest, Dividends & Other Accounts Receivable (See End Note C)	1170.8200	N/A
Notes Receivable-Net (See End Note C)	1170.8100	N/A
Materials & Supplies Inventory	1220	5,055,919
Other Current Assets	1350	0
<b>Total Current Assets</b>		<b>5,055,919</b>
<b><u>Prepaid Accounts &amp; Deferred Charges</u></b>		
Prepays	1280	0
Deferred Charges (See End Note B)	1437-1438	707,696
<b>Total Prepaid Accounts &amp; Deferred Charges</b>		<b>707,696</b>
<b><u>Non-Current Assets</u></b>		
Investments in Affiliated Companies	1410.1000	0
Investment in Non-Affiliated Companies	1410.7000	0
Non-Regulated Investments	1406	0
Other Non-Current Assets	1410.0000	0
<b>Total Non-Current Assets</b>		<b>0</b>
<b><u>Telecommunications Plant</u></b>		
Telephone Plant in Service (See End Note E)	2001	4,238,524,119
Property Held for Future Use	2002	0
Telecommunications Plant under Construction	2003	2,065,772
Telecommunications Plant Adjustment (See End Note E)	2005	0

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Telecommunications Plant-Continued</u></b>		
Non-Operating Plant	2006	25,766
Goodwill	2007	0
<b>Total Plant</b>		<b>4,240,615,657</b>
Depreciation Reserve-Plant	3100	3,140,533,419
Depreciation Reserve-Other (See End Note E)	3200-3600	59,967,462
<b>Total Depreciation Reserve</b>		<b>3,200,500,881</b>
<b>Net Telecommunications Plant</b>		<b>1,040,114,776</b>
<b>Total Assets</b>		<b>1,045,878,391</b>
<b><u>Current and Accrued Liabilities</u></b>		
Accounts Payable (See End Note D)	4000.1000	N/A
Notes Payable-Affiliated	4000.2100	0
Advance Billings and Payments	4130.4000	29,213,787
Customer Deposits	4040	2,482,710
Current Maturities-Long Term Debt	4130.5100	0
Current Maturities-Capital Leases	4130.6000	0
Income Taxes Accrued	4070	173,627,492
Other Accrued Taxes	4080	39,718,593
Other Accrued Liabilities	4130.2900	(1,594,629)
Other Current Liabilities	4130 Less 4130.4000 Less 4130.2900	6,396,104
<b>Total Current and Accrued Liabilities</b>		<b>249,844,057</b>
<b><u>Other Liabilities and Deferred Credits</u></b>		
Other Long Term Liabilities (See End Note D)	4300	N/A
Premium on Long Term Debt	4200.2100	0
Unamortized Operating Investment Tax Credits-Net	4320	-

**Schedule #2- Balance Sheet-Continued**

<u>Description</u>	<u>G/L Accounts</u>	<u>Balance at Close of Year</u>
<b><u>Other Liabilities and Deferred Credits-Continued</u></b>		
Unamortized Nonoperating Investment Tax Credits-Net	4330	0
Other Deferred Credits (See End Note B)	4300.4300	174,855
Net Current Deferred Operating Income Taxes	4100	(475,497)
Net Current Deferred Nonoperating Income Taxes	4110	2,777,874
Net Noncurrent Deferred Operating Income Taxes	4340	197,842,433
Net Noncurrent Deferred Nonoperating Income Taxes	4350	(4,220,669)
Other Jurisdictional Liabilities and Deferred Credits	4370	0
<b>Total Other Liabilities and Other Credits</b>		<b>196,098,996</b>
<b><u>Long Term Debt</u></b>		
Funded Debt	4200.1000	0
Reacquired Debt	N/A	N/A
Obligations Under Capital Leases	4200.2300	0
Advances from Affiliated Companies	4200.3000	0
Other Long Term Debt	4200.2400	0
<b>Total Long Term Debt</b>		<b>0</b>
<b>Total Liabilities</b>		<b>445,943,053</b>
<b><u>Stockholders Equity</u></b>		
Capital Stock		0
Additional Paid in Capital		0
Treasury Stock		0
Other Capital		0
Headquarters Control	9999	599,935,338
<b>Total Stockholders Equity</b>		<b>599,935,338</b>
<b>Total Stockholders Equity and Liabilities</b>		<b>1,045,878,391</b>

**Schedule #3-Retained Earnings**

<u>Description</u>	<u>Debits</u>	<u>Credits</u>
Retained Earnings Account		
Retained Earnings-Beginning of Year		741,834,007
Miscellaneous Debits to Retained Earnings		
Miscellaneous Credits to Retained Earnings		
Net Income or Loss From Operations		89,258,446
Retained Earnings-End of Year		
Appropriated Retained Earnings:		
Dividends Declared		
Other		
Unappropriated Retained Earnings:		
Jurisdictional Retained Earnings		
Other	231,157,115	
Retained Earnings-Total End of Year		599,935,338

**Schedule #7- South Carolina Local Access Lines**

<b>Total Business (See End Note F)</b>	<b><u>339,754</u></b>
<b>Total Residence (See End Note F)</b>	<b><u>716,177</u></b>
<b>Total Lifeline Access Lines (See End Note H)</b>	<b><u>23,480</u></b>
<b>Total Access Lines (See End Note F)</b>	<b><u>1,079,411</u></b>
<b>Total Number of Customers</b>	<b><u>787,387</u></b>
<b>Total Wholesale Customers (See End Note G)</b>	<b><u>165</u></b>
<b>Total Wholesale DSL Customers (See End Note G)</b>	<b><u>16</u></b>